City of Woodland

City Hall
300 First Street
Woodland, CA 95695

Meeting Agenda

City Council

Tuesday, June 20, 2017 | **6:00 PM** | **Council Chambers**

CITY COUNCIL
CLOSED SESSION
5:45 PM

A. CALL TO ORDER

B. CLOSED SESSION

B.1 CONFERENCE WITH LABOR NEGOTIATORS, Pursuant to Government Code Section 54957.6
Agency Designated Representatives: City Manager and Human Resources Manager
Employee Organization(s): Woodland Police Supervisors Association

B.2 CONFERENCE WITH LABOR NEGOTIATORS, Pursuant to Government Code Section 54957.6
Agency Designated Representatives: City Manager and Human Resources Manager
Employee Organization(s): Confidential Unit

JOINT REGULAR CITY COUNCIL/WOODLAND FINANCE AUTHORITY/SUCCESSOR AGENCY
JUNE 20, 2017
6:00 P.M.

A. CALL TO ORDER

B. ROLL CALL

C. PLEDGE OF ALLEGIANCE

D. COMMUNICATIONS-PUBLIC COMMENT

This is an opportunity for the public to speak to the Council on any item other than those listed for public hearing on this agenda. Speakers are requested to use the microphone in front of the Council and to begin by stating their name, whether they reside in Woodland and the name of the organization they represent if any. The Mayor may impose a time limit on any speaker depending on the number of people wanting to speak and time available for the rest of the agenda. In the event comments are related *to an item scheduled on the agenda, speakers may be required to wait to make their comments until that item is considered.*

E. COMMUNICATIONS-COUNCIL/STAFF STATEMENTS AND REQUESTS

This is an opportunity for the Council Members and Staff to make comments and announcements, to express concerns, or to request Council's consideration of any items a Council Member would like to have discussed at a future Council meeting.

17-0542 SUBJECT: Long Range Calendar

Recommendation for Action: Staff recommends that the City Council receive the Long Range Calendar for informational purposes only.

F. MINUTES

1. 17-0512 SUBJECT: Parks & Recreation Commission Meeting Minutes for April 24, 2017

Recommendation for Action: Staff recommends that the City Council receive the April 24, 2017 Parks & Recreation Commission Minutes that were approved on May 22, 2017.

G. PRESENTATIONS

2. 17-0547 SUBJECT: Proclamation honoring May 26 - June 24, 2017 as the Month of Ramadan

RECOMMENDATION FOR ACTION: Staff recommends that the City Council adopt a proclamation recognizing May 26 - June 24, 2017 as the Month of Ramadan

H. CONSENT CALENDAR

3. 17-0474 SUBJECT: Approval of Capital Financing and Debt Management Policy

Recommendation for Action: Staff recommends that the City Council approve the Capital Financing and Debt Management Policy for the City of Woodland.

4. 17-0487 SUBJECT: Library Improvement Project, CIP 15-08; Final Acceptance and Notice of Completion

Recommendation for Action: Staff recommends that the City Council approve Resolution No. _____, accepting the Library Improvement Project, CIP 15-08, as complete and authorizing the City Clerk to file a Notice of Completion.

5. 17-0490 SUBJECT: Approve Consultant Services Agreement for 2017 Corridor Safety Study Project, CIP 17-17

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. _____, to approve a consultant services agreement for with Fehr & Peers, in the amount of $148,000 for the 2017 Corridor Safety Study Project and authorize the City Engineer to execute the agreement and amendments, as necessary, up to 20% of the agreement amount.

6. 17-0498 SUBJECT: Summary Vacation of Utility Easements on a Parcel Located at 20 North Cottonwood St.

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. _____, approving summary vacation of utility easements on a parcel located at 20 North Cottonwood St.

7. 17-0500 SUBJECT: Public Works Quarterly Status Report for the period of March through May 2017

Recommendation for Action: Staff recommends that the City Council accept the Public Works Department's Quarterly Status Report.

8. 17-0514 SUBJECT: Second Reading and Adoption of Ordinance approving the Extension of the Development Impact Fee Deferral Program

Recommendation for Action: Staff recommends that the City Council conduct the second reading and adopt Ordinance approving the Extension to the Development Impact Fee Deferral Program.

9. 17-0528 SUBJECT: Oil Payment Program FY17 Budget Increase

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. _____, authorizing an additional FY 2016/17 appropriation of $2,000 in the Used Oil Payment Program Fund for a total appropriation of $18,000.

10. 17-0534 SUBJECT: 2017 4th of July Sponsors, Volunteers, and Listing of Events

Recommendation for Action: Staff recommends that the City Council receive a report on the 4th of July sponsors, volunteers and listing of events.

11. 17-0538 SUBJECT: Consultant Services Agreement for West Woodland Safe Routes to School Improvement Project, CIP 17-09

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. _____, to approve a consultant services agreement with Bennett Engineering Services, in an amount not to exceed $310,000 for the West Woodland Safe Routes to School Improvement Project, CIP 17-09 and authorize the City Manager to execute the agreement.

12. 17-0541 SUBJECT: Appointment of City Council Representative on the Yolo Sub-Basin Groundwater Agency JPA

Recommendation for Action: Staff recommends that the City Council formally designate the Council member serving as the representative to the Water Resources Association of Yolo County (WRA) as serve concurrently as the city's representative on the newly-formed Yolo Sub-basin Groundwater Agency (YSGA) Board.

13. 17-0543 SUBJECT: Berryessa Snow Mountain National Monument Proclamation

RECOMMENDATION FOR ACTION: Staff recommends that the City Council adopt a resolution reaffirming their support for the designation of Berryessa Snow Mountain as a National Monument.

14. 17-0544 SUBJECT: Waste Management Delinquent Garbage/Refuse Accounts - Call for a Public Hearing

Recommendation for Action: Staff recommends that the City Council set a Public Hearing for July 18, 2017 to hear and approve the list of Delinquent Refuse Accounts and direct the Tax Collector of Yolo County to assess liens against real property to collect delinquent payments.

I. PUBLIC HEARINGS

15. 17-0515 SUBJECT: PUBLIC HEARING - Gibson Ranch Lighting & Landscaping District

Recommendation for Action: Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and order the levy and collection of the assessment within the Gibson Ranch Lighting and Landscaping District.

16. 17-0516 SUBJECT: PUBLIC HEARING - North Park Lighting and Landscaping District

Recommendation for Action: Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and order the levy and collection of the assessment within the North Park Lighting and Landscaping District.

17. 17-0517 SUBJECT: PUBLIC HEARING - West Wood Lighting and Landscaping District

Recommendation for Action: Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and order the levy and collection of the assessment within the West Wood Lighting and Landscaping District.

18. 17-0518 SUBJECT: PUBLIC HEARING - Streng Pond Landscape Maintenance District

Recommendation for Action: Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and order the levy and collection of the assessment within the Streng Pond Landscape Maintenance District.

19. 17-0519 SUBJECT: PUBLIC HEARING: Spring Lake Lighting & Landscaping District

Recommendation for Action: Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and Resolution No. _____, ordering the levy and collection of the assessment within the Spring Lake Lighting and Landscaping District.

20. 17-0520 SUBJECT: PUBLIC HEARING: Gateway Landscaping & Lighting District

Recommendation for Action: Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and Resolution No. _____, ordering the levy and collection of the assessment within the Gateway Lighting and Landscaping District.

21. 17-0527 SUBJECT: PUBLIC HEARING: Public Hearing for and Adoption of Substantial Amendment to Fiscal Year 2016/17 Community Development Block Grant Action Plan

Recommendation for Action: Staff recommends that the City Council take the following actions:
1. Hold a public hearing to receive community input on the proposed FY 2016/17 Community Development Block Grant (CDBG) Action Plan Amendment; and
2. Adopt Resolution No. _____, approving Amendment #1 to the FY 2016/17 CDBG Action Plan with the funding allocations as recommended by staff; and
3. Direct staff to complete the necessary paperwork to process Amendment #1 to FY 2016/17 Action Plan, as well as any other related documents required by the U.S. Department of Housing and Urban Development (HUD), incorporating the adopted funding allocations along with any public input received during the public comment period

ending on June 20, 2017; and
4. Direct staff to forward the completed Amendment #1 and related documents to HUD once completed; and
5. Authorize the City Manager to execute any agreements, contracts or related/required documents with the appropriate entities to carry out the CDBG funding activities; and
6. Authorize the Finance Officer to make the budget allocations as specified.

These Actions are consistent with the CDBG Consolidated Plan goal of assisting low- and moderate- income persons.

J. REPORTS OF THE CITY MANAGER

22. 17-0546 SUBJECT: Approval of Loan Commitment for Mutual Housing California's Phase 2 Multi-Family Project

Recommendation for Action: Staff recommends that the City Council take the following actions:

(1) Adopt Resolution No. _____, approving a 57-year term residual receipts loan with Mutual Housing California (Mutual) in the amount of $1,500,000 with three percent (3%) simple interest for Mutual's Phase 2 multi-family project (39 farmworker units) at the southeast corner of Pioneer Avenue and Farmers Central Road and funding of the loan through the Spring Lake Affordable Housing and Affordable Housing In-Lieu Fee funds;

(2) Approve disbursement of $1,200,000 in loan proceeds to occur through completion of project construction which is estimated to occur in February 2020; and

(3) Authorize disbursement of the remaining $300,000 in loan proceeds, contingent upon Mutual satisfying a five-year performance guarantee for funding (estimated to occur in 2025).

(4) The City loan commitment is to be valid for the 2017 Round 2 tax credit application. If Mutual does not receive a tax credit award during Round 2, Mutual would be required to submit a new loan subsidy request to in order to obtain City assistance.

23. 17-0529 SUBJECT: Status Report - Update of the Downtown Parking Management Plan

Recommendation for Action: Staff recommends that the City Council:
1) Receive a presentation that describes the latest findings on the status of public parking Downtown and recommendations to balance current and future parking supply and demand; and

2) Provide direction to Staff on initial recommendations to be included in Downtown Parking Master Plan prior to returning to City Council for final approval this Fall: and
3) Introduce and waive first reading of the attached Ordinance amending the City's Parking Ordinance (Municipal Code Chapter 14, Article VII) to add 20 minute, 3-hour, 4-hour parking time zones to the City's Ordinance.

24. 17-0535 SUBJECT: Consultant Services Agreement for W. Main Street Bicycle/Pedestrian Mobility & Safety Improvement Project, CIP 17-16

Recommendation for Action: Staff recommends that the City Council 1) adopt Resolution No. _____, approving a consultant services agreement with Mark Thomas, in an amount not to exceed $650,000 for the W. Main Street Bicycle/Pedestrian Mobility & Safety Improvement Project, CIP 17-16 and authorize the City Manager to execute the agreement and amendments, as necessary, and 2) Receive a presentation regarding upcoming transportation projects.

25. 17-0533 SUBJECT: Approve Modifications to the Utility Assistance Program

Recommendation for Action: Staff recommends that the City Council modify the Utility Assistance Program to provide a subsidy of $40/month for up to12 months in a fiscal year.

26. 17-0526 SUBJECT: Fiscal Year 2017-2018 Budget

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. _____, approving the Fiscal Year (FY) 2017-2018 Annual Budget of $158.24 million, which includes the budgets for the Capital Improvement Program, the Woodland Finance Authority and the Successor Agency to the former Redevelopment Agency.

27. 17-0545 SUBJECT: Designate Delegate for the Annual League of California Cities Conference

Recommendation for Action: Staff recommends that the City Council designate a voting delegate to represent the City at the Annual Conference of the League of California Cities to be held in Sacramento, September 13 - 15, 2017.

28. 17-0539 SUBJECT: Approve the Sale of the City of Woodland Wastewater Revenue Refunding Bonds, Series 2017

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. _____, approving the Forms of and Authorizing Execution and Delivery of a Bond Issuance Agreement, a Letter Agreement for Purchase, and a First Amendment to the Installment Purchase Contract; Authorizing the Issuance of the City of Woodland

Wastewater Revenue Refunding Bond, Series 2017; and Approving other Actions Related Thereto.

SUCCESSOR AGENCY REGULAR CALENDAR

29. 17-0540 SUBJECT: Approve Refunding of the 2007 Tax Allocation Bonds

Recommendation for Action: Staff recommends that the Successor Agency approve Resolution No. _____, authorizing the Issuance of a Refunding Bond to Refund Tax Allocation Bonds of the Redevelopment Agency of the City of Woodland.

K. ADJOURN

I declare under penalty of perjury that the foregoing Agenda for the Joint Regular City Council/Woodland Finance Authority/Successor Agency Regular Meeting of the City of Woodland scheduled for June 20, 2017 was posted on June 16, 2017 in the outside display case at City Hall, 300 First Street, Woodland, CA, and was available to the public during normal business hours.

____

Ana B. Gonzalez, City Clerk

Upon request, agendas and documents in the agenda packet will be made available in appropriate alternative formats to persons with a disability, as required by law. Any such request must be made in writing to the Office of the City Clerk of the City of Woodland. Requests will be valid for the calendar year in which the request is received, and must be renewed prior to January 1st. Persons needing disability-related modifications or accommodations in order to participate in public meetings, including persons requiring auxiliary aids or services, may request such modifications or accommodations by calling the Office of the City Clerk (530-661-5806) at least 48 hours prior to the meeting.

City Hall
300 First Street
Woodland, CA 95695

City of Woodland

Legislation Text

File #: 17-0542, **Version:** 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Long Range Calendar

Recommendation for Action: Staff recommends that the City Council receive the Long Range Calendar for informational purposes only.

Staff Contact

Ana Gonzalez, City Clerk - (530) 661-5806, ana.gonzalez@cityofwoodland.org

Background

This calendar is being provided for planning purposes only and is intended to keep the Council apprised of upcoming agenda items and better plan for upcoming Council items.

Prepared by: Jennifer Robinson, Deputy City Clerk

Paul Navazio

Paul Navazio, City Manager

Attachment

UPDATED COUNCIL LONG RANGE CALENDAR

JULY 6th **SPECIAL MEETING**

Presentation
John and Eunice Davidson Grant

Minutes
City Council Meeting Minutes for June 6, 2017 and June 20, 2017

Consent
Approve Consultant Agreement for Sports Park Drive Pedestrian Overcrossing, CIP #17-22
Memorandum of Understanding with the Woodland Police Officers' Association
Final Acceptance for Recycled Water Project, CIP #16-01
Receive Fiscal Year 2016/17 Annual Grand Jury Report on Affordable Housing Loan Portfolio
Receive Gen Plan and Housing Element Annual Progress Report for period of Jan 1 – Dec 31, 2016

Public Hearing
Adoption of Fiscal Year 2017/18 Community Development Block Grant Annual Action Plan

Regular Calendar
Adoption of 2017-18 CDBG Action Plan

JULY 18th **REGULAR MEETING**

Presentation
Proclamation for Rob Sanders

Consent
Approve Plans & Specs; Authorize Bidding for Wells #10, #17 & #20 Demolition Project CIP 11-10

Public Hearing
Waste Management Liens

SUMMER RECESS JULY 19 THROUGH AUGUST 14

FUTURE TOPICS / STUDY SESSIONS (TBD):
Downtown Specific Plan Update
Affordable Housing Workshop– Part II
Ag Mitigation Ordinance
Street / Road Maintenance Program Overview
Park Management Plan

City Hall
300 First Street
Woodland, CA 95695

Legislation Text

1.

File #: 17-0512, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Parks & Recreation Commission Meeting Minutes for April 24, 2017

Recommendation for Action: Staff recommends that the City Council receive the April 24, 2017 Parks & Recreation Commission Minutes that were approved on May 22, 2017.

Staff Contact

Kris Bain, Community Services Program Manager, 661-2002, krista.bain@cityofwoodland.org

Conclusion

Staff recommends that the City Council receive the April 24, 2017 Parks & Recreation Commission Minutes that were approved on May 22 2017.

Prepared by: Kris Bain, Community Services Program Manager

Reviewed by: Christine Engel, Community Services Director

Paul Navazio, City Manager

Attachment: April 24, 2017 P&R Commission meeting minutes

Parks & Recreation Commission Minutes

Monday, April 24, 2017

City Hall – 300 First Street – Council Chambers

Call to Order

The Parks & Recreation Commission meeting was called to order by Chair Jesse Salinas at 6:30 p.m. on Monday, April 24, 2017 in the Council Chambers at City Hall.

Pledge of Allegiance
Roll Call

Commission Members Present:	Chair Jesse Salinas Vice Chair Jon-Paul Valcarenghi Commissioner Carla White-Snyder Commissioner Joe Romero Commissioner Andrew Foraker Commissioner Rashid Ali
Commission Member Absent:	Commissioner Stephanie Miller
Staff Present:	CSD Director Engel CSD Analyst Halcon CSD Superintendent Schroeder

Public Comment
None
Communication-Commission/Staff Statements and Requests
CSD Director Christine Engel announced the resignation of Commissioner Hartman and introduced the two new Commissioners Andrew Foraker and Rashid Ali

Presentation
None

New Business
None

Committee Reports
Work Plan
Commissioner Salinas explained the work plan structure to the new commissioners.

Roster/Committee Assignments

Discussion moved to next meeting

ReXpo Survey Results

Discussion moved to next meeting

Facility Needs Ad Hoc Subcommittee

Commissioner Salinas indicated that this subcommittee would hold its first meeting later in the week.

Handicap Parking Subcommittee

CSD Directory Engel provided description of the need for this subcommittee for the new commissioners. Commissioner Ali volunteered to be on the subcommittee.

Action:

White-Snyder/Romero second to approve appointment of Commissioner Ali to the subcommittee.
Motion carried by the following roll call vote:
Ayes: Salinas, White-Snyder, Valcarenghi, Romero, Foraker, Ali
Noes: None

Standing Committee Reports

None

Consent Calendar

March 27, 2017 Minutes

Action:

Valcarenghi/ White-Snyder seconded to approve the March 27, 2017 minutes.
Motion carried by the following roll call vote:
Ayes: Salinas, White-Snyder, Valcarenghi, Romero, Foraker, Ali
Noes: none

Other Business

Consider Commissioner Requests for Excused Absences from Future Meetings

Commissioner Valcarenghi requested May 22, 2017

Action:

Romero/White-Snyder seconded to approve absence request
Motion carried by the following roll call vote:
Ayes: Salinas, White-Snyder, Valcarenghi, Romero, Foraker, Ali
Noes: none

Staff Reports

Community Services Report

Schroeder provided an update on the recent tree planting events and the upcoming Day of Services. He stated that all projects related to the Housing Related Parks grant program were nearing completion and that the grant to prepare and Urban Forest Management Plan and plant 1200 trees was submitted.

CSD Director Engel gave an update on the Community Services Report for April 2017. Commissioner Valcarenghi had questions regarding Hiddleson Pool demolition and the Commissions ability to be able to weigh in on the plan for reuse of the former Hiddleson Pool site and make recommendations to City Council regarding the reuse of the site. CSD Director Engel stated that she plans to provide the commission with additional information on possible reuse options in order for them to provide a recommendation to the City Council; however, this will depend on the overall timing of the project.

Commissioner Romero requested an update regarding the moving of the boxing program. CSD Director Engel provided the commission an update as to the program move to the Community Center and the opening date of May 1, 2017. Engel also informed the commission that there would be a formal grand opening on May 8, 2017 at 5:30 p.m..

Action: Received

Next Meeting May 22, 2017

Adjourn 7:35 p.m.

Action:

City of Woodland

City Hall
300 First Street
Woodland, CA 95695

Legislation Text

2.

File #: 17-0547, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Proclamation honoring May 26 - June 24, 2017 as the Month of Ramadan

RECOMMENDATION FOR ACTION: Staff recommends that the City Council adopt a proclamation recognizing May 26 - June 24, 2017 as the Month of Ramadan

Paul Navazio, City Manager

Attachment: Proclamation

City of Woodland
Proclamation
Recognizing May 26th to June 24th, 2017 as Month of Ramadan

Whereas, 1.7 billion Muslims of the world celebrate their holiest month of Ramadan every year. Ramadan is the 9th month in the Islamic lunar year; and

Whereas, during this month, Muslim observe fast and abstention from eating, drinking, smoking and intimate relations from dawn to dusk for 29 or 30 days of the month of Ramadan; and

Whereas, the purpose of the fasting is to develop better understanding and empathy and grow spiritually; and

Whereas, Ramadan is a month of spiritual consciousness and higher sense of social responsibility for the less fortunate, and Fasting is one of the 5 pillars of Islam including: Announcement of Faith, 5 daily prayers, Charity for the Poor, Fasting during the month of Ramadan, and Hajj or pilgrimage to Mecca; and

Whereas, at the completion of month of Fasting, Muslims all over the world celebrate their holiday of Eid-ul-Fitr. It is a true thanksgiving for a Muslim believer for having the opportunity to obey Allah (the God Almighty) by observing Fasting. It is celebrated on the 1st day of 10th lunar Islamic month.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Woodland California recognizes May 26th to June 24th 2017 as the Month of Ramadan.

BE IT FUTHER RESOLVED, that the City Council wishes to recognize the valuable contributions of the Muslim community to the fabric that is the City of Woodland.

Dated this 20th day of June, 2017

____
Angel Barajas, Mayor

Enrique Fernandez, Mayor Pro Tempore

Marlin H. "Skip" Davies, Council Member

Xochitl Rodriguez, Council Member

Tom Stallard, Council Member

Legislation Text

3.

File #: 17-0474, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Approval of Capital Financing and Debt Management Policy

Recommendation for Action: Staff recommends that the City Council approve the Capital Financing and Debt Management Policy for the City of Woodland.

Staff Contact

Kim McKinney, Finance Officer - (530)661-5849, kimberly.mckinney@cityofwoodland.org

Fiscal Impact

No fiscal impact results from the adoption of this policy.

Discussion

SB1029, effective in January 2017, mandates tracking of state and local government borrowing and spending of bond proceeds in an effort to increase transparency and improve public knowledge. A part of SB1029 requires that municipal debt issuers certify, prior to the sale of bonds, that they have adopted local debt policies. The debt policy is required to address the following:

- The purposes for which debt proceeds may be used.
- Types of debt that may be issued.
- The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable.
- Policy goals related to the issuer's planning goals and objectives.
- Internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt will be directed to the intended use.

Staff, along with the City's Financial Advisor, has drafted a policy compliant with SB1029 for City Council approval.

Conclusion

Staff recommends that the City Council approve the Capital Financing and Debt Management Policy for the City of Woodland.

Prepared by: Kim McKinney, Finance Officer

Paul Navazio, City Manager

Attachments: Capital Financing and Debt Management Policy

CAPITAL FINANCING AND DEBT MANAGEMENT POLICY

CITY OF WOODLAND

June 20, 2017

TABLE OF CONTENTS

CAPITAL FINANCING AND DEBT MANAGEMENT POLICY

CITY OF WOODLAND
CAPITAL FINANCING & DEBT MANAGEMENT POLICY

I. Introduction

To maintain the highest quality capital financing and debt management program, the City of Woodland has prepared the guidelines and policies set forth in this document, referred to hereafter as the "Debt Management Policy." The Debt Management Policy is intended to guide decisions related to debt supported by the City's General Fund, Enterprise Funds and the Successor Agency.

To the extent that items have not been contemplated for inclusion in the Debt Management Policy, additions and revisions can be made by approval of the City Council.

Note: All references to "FO" refers to the Finance Officer or their designee responsible for managing and overseeing the debt functions of the City.

Goals and Objectives

The Debt Management Policy formally establishes parameters for issuing debt and managing a debt portfolio, which encompasses the City's specific capital improvement needs and its ability to repay financial obligations utilizing a long range financial planning approach. Specifically, the policies outlined in this document are intended to guide the City in the following:

- Evaluating critical debt issuance options.
- Promoting sound financial management that utilizes long range financial planning.
- Providing accurate and timely information on financial conditions.
- Maintaining appropriate capital assets for present and future needs.
- Protecting and enhancing the City's credit rating.
- Ensuring the legal and prudent use of the City's bonding authority through an effective system of financial security and internal controls.
- Promoting cooperation and coordination with other public entities and the private sector in the financing and delivery of services.
- Use debt financing where appropriate to match projected revenue streams with facility needs.

II. Approach to Financing Long-term Debt

A sound debt management program integrates pay-as-you-go project financing with projects financed through the issuance of long-term debt. The City's Capital Improvement Program utilizes this combined approach to fund the City's capital projects. Therefore, it is important to integrate the City's Debt Management Policy with both the City's long range financial plan and the capital improvement program. Debt issuance for capital projects should not be considered unless such issuance has been incorporated into the capital improvement program.

The City's Debt Management Policy promotes the use of debt only in those cases where public policy, equity, and economic efficiency favor debt over cash (i.e., pay-as-you-go) financing. When considering how to fund capital improvements, the City will use the following criteria to evaluate whether to fund the improvement project on a pay-as-you-go basis versus the use of long-term debt financing:

Factors Favoring Pay-As-You-Go Financing

- Current revenues and adequate fund balances are available such that project phasing can be accomplished.
- Useful life of the capital asset is short in duration.
- Existing debt levels might have an adverse impact on the City's credit rating.
- Market conditions are unstable or present difficulties in marketing the improvement project.

Factors Favoring Long-term Financing

- Revenues available for debt service are sufficient and reliable such that long-term financings can be marketed with an investment grade credit rating.
- The project securing the financing is of the type which will support an investment grade credit rating.
- Market conditions present favorable interest rates.
- The project is required to meet or relieve capacity needs and current resources are insufficient or unavailable.
- The life of the project or capital asset to be financed is 10 years or longer.

Notwithstanding the above considerations, the City may consider the use of long-term debt in special circumstances for projects other than capital projects to better manage its assets and liabilities over time, including Tax and Revenue Anticipation Notes and/or Pension Obligation Bonds, with the latter being considered only after careful policy evaluation by the City.

III. Debt Management and Capacity

- **Use of the General Fund as a Back-up Guarantor**. The City's General Fund may be used to provide back-up liquidity to improve the credit rating of a self-supported debt issue (i.e., an obligation that is expected to be paid through specific revenues), but only if the General Fund is not exposed to significant risk of loss of assets or impairment of liquidity. The evaluation of risk should consider the following factors:

  – Volatility and collection risk of the revenue source identified for repayment of the debt.

  – The likelihood of General Fund reimbursement within one year for any payments it might potentially need to make in its role as back-up guarantor.

  The City will not use General Fund financial support for assessment or Mello-Roos obligations.

- **General Purpose Debt Capacity.** The City will carefully monitor its levels of general-purpose debt. In evaluating debt capacity, general purpose supported debt service will not exceed seven percent (7%) of total General Fund budgeted expenditures and transfers out.

- **Enterprise Fund Debt Capacity.** The City will set enterprise fund rates at levels needed to fully cover debt service and coverage requirements, operations and maintenance, administration and capital improvement costs. The ability to afford new debt for enterprise operations will be evaluated as an integral part of the City's rate review and setting process.

- **Inter-fund Loans among City Funds.** Inter-fund loans among City funds will be considered to finance high priority needs on a case-by-case basis, only when the fund making the loan would not be negatively impacted. Inter-fund borrowing may also be used when it would reduce costs of interest, avoid debt issuance, and/or reduce financial burdens. Inter-fund loans require a written and signed loan agreement between the two City funds, including interest rates and repayment terms.

IV. Financing Criteria

When the City determines that the use of debt is appropriate, the following criteria will be utilized to evaluate the type of debt to be issued.

- **Long-Term Debt**. The City may issue long-term debt (e.g., general obligation bonds, revenue bonds, lease obligations, or variable rate bonds) when an appropriate assessment of the need and priority of the capital improvement project has been undertaken, current resources are insufficient to finance the project, and when debt financing is the optimal structure given the City's financial outlook in relation to the long range financial plan. The proceeds derived from long-term borrowing will not be used to finance current operations or normal maintenance. Long-term debt will be structured such that the obligations do not exceed the expected useful life of the respective projects.

  - ***Subordinate Debt*** (e.g., subordinate or junior lien bonds) may be issued in instances in which statutory or indenture restrictions prevent additional series of parity of senior lien bonds.

- **Short-Term Debt.** Defined as borrowing that spans less than one year, short-term borrowing may be utilized for the temporary funding of operational cash flow deficits or anticipated revenues (defined as an assured source with the anticipated amount based on conservative estimates). The City will determine and utilize the least costly method for short-term borrowing. The City may issue short-term debt when there is a defined repayment source or amortization of principal, subject to the following policies:

  – ***Bond Anticipation Notes (BANs)*** may be issued instead of capitalizing interest to reduce the debt service during the construction period of a project or facility.

  – ***Tax and Revenue Anticipation Notes (TRANs)*** should be issued only to meet projected cash flow needs consistent with a finding by Bond Counsel that the sizing of the issue fully conforms to IRS requirements and limitations.

  – ***Commercial Paper*** should only be considered as an alternative when taking into account not only the expected interest to be paid but the cost of the letter of credit and remarketing fees to be incurred to maintain the financing.

  – ***Lines of Credit*** should only be considered as an alternative to other short-term borrowing options. The lines of credit shall be structured to limit concerns as to the Internal Revenue Code.

- **Variable Rate Debt.** To maintain a predictable debt service burden, the City may give preference to debt that carries a fixed interest rate. However, the City may consider variable rate debt in certain instances, such as:

  – ***High Interest Rate Environment.*** Current interest rates are above historic average trends.

  – ***Variable Revenue Stream.*** The revenue stream for repayment is variable, and is anticipated to move in the same direction as market-generated variable interest rates, or the dedication of revenues allows capacity for variability.

– ***Adequate Safeguards Against Risk.*** Financing structure and budgetary safeguards are in place to prevent adverse impacts from interest rate shifts; such structures could include, but are not limited to, interest rate swaps, interest rate caps and the matching of assets and liabilities.

– ***Variable Rate Debt Capacity.*** Consistent with rating agency guidelines, the percentage of variable rate debt outstanding (not including debt which has been converted to synthetic fixed rate debt through a matching swap agreement) shall not exceed 20% of the City's total outstanding debt (excluding land-secured debt).

- **Tax-Exempt Lease Financed Debt*.*** Intermediate and long-term tax-exempt debt financing may be undertaken for the acquisition of equipment (i.e information technology enhancements, vehicles or HVAC and other renewal and replacement systems improvements). The parameters for the City to enter into a tax-exempt lease financing agreement is as follows:

  – A minimum threshold of $100,000 up to a maximum of $5,000,000 can be tax-exempt lease financed. Special consideration is negotiable for exceptions to be made on a case-by-case basis.

  – Identified repayment revenue resource must be a continuous funding source. Grant awards cannot be identified as the repayment source but can be utilized as a down payment to reduce the amount of the proposed tax-exempt lease.

  – Selection of both the projects and tax-exempt financing method must undergo review and approval by both the Finance Department.

  – The terms of the tax-exempt lease financing may not exceed the useful life of the capital asset.

V. Terms and Conditions of Bonds / Direct Placements

The City shall establish all terms and conditions relating to the issuance of bonds, and will control, manage, and invest all bond proceeds. Unless otherwise authorized by the City, the following shall serve as bond requirements:

1. **Term.** All capital improvements financed through the issuance of debt will be financed for a period not to exceed the useful life of the improvements.

2. **Capitalized Interest.** Certain types of financings such as certificates of participation and other lease-secured financings may require the use of capitalized interest from the issuance date until the City has beneficial use and occupancy of the financed project. Interest shall not be funded (capitalized) beyond a period of three years, or a shorter period if further restricted by statute. The City may require that capitalized interest on the initial series of bonds be funded from the proceeds of the bonds. As an alternative to capitalizing interest during the acquisition or construction of a project, the City may lease and lease-back an existing capital asset to secure the financing.

3. **Debt Service Structure.** Market conditions at the time of sale will inform the City on its decision regarding debt service structure**.** Debt issuance shall be

planned to achieve relatively rapid repayment of debt while still matching debt service to the useful life of facilities. The City shall avoid the use of bullet or balloon maturities except in those instances where these maturities serve to levelize existing debt service.

4. **Call Provisions.** In general, the City's securities will include a call feature, which is no later than 10 years from the date of delivery of the bonds. The City will avoid the sale of non-callable bonds absent careful evaluation by the City of the value of the call option. Every effort shall be made to minimize call premiums which shall not exceed 3% unless required by statute.

5. **Original Issue Discount and Premiums.** An original issue discount or premium will be permitted only if the City determines that such discounts or premiums result in a lower true interest cost on the bonds and that their use will not adversely affect the project identified by the bond documents.

6. **Deep Discount Bonds.** Deep discount bonds may provide a lower cost of borrowing in certain markets. The City will carefully consider their value and effect on any future refinancing as a result of the lower-than-market coupon.

7. **Multiple Series.** In instances where multiple series of bonds are to be issued, the City shall make a final determination as to which facilities are of the highest priority and those facilities which will be financed first, pursuant to funding availability and the proposed timing of facilities development.

VI. Credit Enhancements

The City will consider the use of credit enhancement on a case-by-case basis, evaluating the economic benefit versus cost for each case. Only when a clearly demonstrable savings can be shown should a method of enhancement be considered. The City will consider each of the following enhancements as alternatives by evaluating the cost and benefit of such enhancement.

- **Bond Insurance.** The City shall have the authority to purchase bond insurance when such purchase is deemed prudent and advantageous. The predominant determination shall be based on such insurance being less costly than the present value of the difference in the interest on insured bonds versus uninsured bonds.

  1. **Provider Selection.** The FO, with the assistance of the financing team, will solicit quotes (or cause such quotes to be solicited) for bond insurance from interested providers or in the case of a competitive sale submit an application for pre-qualification of insurance. In a negotiated sale, the FO shall have the authority to select a provider whose bid is the most cost effective and whose terms and conditions governing the guarantee are satisfactory to the City.

- **Debt Service Reserves.** When required, a reserve fund equal to the least of (1) ten percent (10%) of the original principal amount of the bonds, (2) one hundred percent (100%) of the maximum annual debt service, and (3) one hundred and twenty-five percent (125%) of average annual debt service, (the "Reserve Requirement") shall be funded from the proceeds of each series of bonds, subject to federal tax regulations and in accordance with the requirements of credit enhancement providers and/or rating agencies. This “three prong” test will also apply to a common reserve fund (parity reserve) calculated on all parity bonds within a series. Policies governing the investment of debt service reserves and bond proceeds can be found in both the bond documents and the City’s Investment Policy.

The City may purchase reserve equivalents (i.e., the use of a reserve fund surety or letter of credit) when such purchase is deemed prudent and advantageous. Such equivalents shall be evaluated in comparison to cash funding of reserves on a net present value basis, taking into account projected interest earnings on a cash funded reserve.

- **Letters of Credit.** The City may enter into a letter-of-credit (“LOC”) agreement when such an agreement is deemed prudent and advantageous. The FO shall prepare (or cause to be prepared) and distribute to qualified financial institutions as described in the subsection “Selection Criteria” below, a request for qualifications which includes terms and conditions that are acceptable to the City.

  – **Provider Selection.** Only those financial institutions with long-term ratings greater than or equal to that of the City, and short-term ratings of VMIG 1, A-1, or F1, by Moody’s Investors Service, Standard & Poor’s and Fitch Ratings, respectively, may be solicited.

  – **Selection Criteria.** The selection of LOC providers will be based on responses to a City-issued request for qualifications; criteria will include, but not be limited to, the following:

    - Ratings at least equal to or better than the financing issues’ underlying credit rating.
    - Evidence of ratings (including the market outlook of the LOC).
    - Trading value relative to other financial institutions.
    - Terms and conditions acceptable to the City; the City may provide a term sheet along with the request for qualifications to which the financial institution may make modifications.
    - Representative list of clients for whom the bank has provided credit facilities.
    - Fees, specifically, cost of LOC, draws, financial institution counsel and other Finance charges.

VII. Refinancing Outstanding Debt

The FO shall have the responsibility to analyze outstanding bond issues for refunding opportunities that may be presented by underwriting and/or Municipal Advisor firms. The FO will consider the following issues when analyzing possible refunding opportunities:

- **Debt Service Savings.** The City establishes a guideline net present value savings threshold goal of three percent (3%) of the refunded bond principal amount. The net present value savings will be net of all costs related to the refinancing. The City will evaluate each refunding candidate on a case-by-case basis. In evaluating such refundings and the appropriateness of a 3% or higher refunding goal, the City will take into account whether the refunding will be current or advance, and if the latter, the period of time before the call date and the efficiency of the refunding escrow.

- **Restructuring.** The City will refund debt when in its best interest to do so. Refunding will include restructuring to meet unanticipated revenue expectations, achieve cost savings, mitigate irregular debt service payments, release reserve funds, or remove unduly restrictive bond covenants.

- **Term of Refunding Issues.** The City may refund bonds within the term of the originally issued debt. However, the City may consider maturity extension, when necessary to achieve a desired outcome, provided that such extension is legally permissible. The City may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed facility and the concept of inter-generational equity should guide this decision.

- **Escrow Structuring.** The City shall utilize the least costly securities available in structuring refunding escrows. The City will examine the viability of an economic versus legal defeasance on a net present value basis. In the case where open market securities are purchased, the City shall procure a minimum of three (3) competitive bids from approved broker-dealers. Such securities must be more cost effective than State and Local Government Obligations (SLGS), and that the price paid for the securities must be reasonable within Federal guidelines. Under no circumstances shall the Underwriter or Municipal Advisor of a particular project sell escrow securities to the City from its own account.

- **Arbitrage.** The City shall take all necessary steps to optimize escrows and to avoid negative arbitrage on any refunding.

VIII. Interest Rate Risk Mitigation Policy (Swap Policy)

The City is not considered an active sophisticated issuer and therefore it is not appropriate for the City to enter into any Interest Rate Swap Agreements.

An interest rate swap is an agreement between two parties to exchange one stream of interest payments for another, over a set period of time. Swaps are derivative contracts and trade over-the-counter. Investment and commercial banks with strong credit ratings are swap market-makers, offering both fixed and floating-rate cash flows to their clients. By convention, each participant in a swap transaction is known by its relation to the fixed rate stream of payments. The party that elects to receive a fixed rate and pay floating is the "receiver" and the party that received floating in exchange for fixed is the "payer." Both the receiver and payer are known as counterparties in the swap transaction.

IX. Methods of Issuance

The City will determine, on a case-by-case basis, whether to sell its bonds competitively or through negotiation.

- **Competitive Sale -** In a competitive sale, the City's bonds shall be awarded to the bidder providing the lowest true interest cost as long as the bid adheres to the requirements set forth in the official Notice of Sale.

- **Negotiated Sale / Direct Placement -** The City recognizes that some securities are best sold through negotiation. In its consideration of a negotiated sale, the City shall assess the following circumstances:

  – Bonds issued as variable rate demand obligations.

  – A complex structure which may require a strong pre-marketing effort.

  – Size of the issue which may limit the number of potential bidders.

  – Market volatility is such that the City would be better served by flexibility in timing its sale in changing interest rate environments.

  – Other criteria to consider: the absence of investment grade rating of the bonds; timing considerations beyond "market volatility" (e.g., refundings),

X. Underwriter / Placement Agent Selection

It is within the City's best interest to be in a position to be able to react quickly and issue debt based on favorable market conditions. Therefore, on a case-by-case basis, firms may be selected to act as sole, senior or co-manager, or as a group member in a syndicate. The selection of an Underwriter or Underwriters will be determined by the FO.

- **Underwriter / Placement Agent Responsibilities.** The Underwriter will be expected to assist in the development of a sound financial plan for the capital facility or infrastructure that is planned to be financed as necessary, and to underwrite the bonds to finance the project. Specific services, although not all inclusive, are listed below. Note that if the terms of the specific services differ from those described in a formal contract, the services as described in the contract shall prevail.

  – Meet with City staff, developers, members of the financial team and others as required, to become familiar with the Project.

  – Determine, with the assistance of City staff, the capital requirements for the Project.

  – Determine and recommend the means of financing which is the most cost effective in regard to net interest cost, annual debt service, market timing and other matters which affect the cost of the financing.

– Either independently, or in conjunction with City's Municipal Advisor, recommend alternative credit structures for the financing.

– Prepare a written analysis to be presented to the City of the recommended structure, pricing and sizing of the issue, based on the then current market conditions. Modify said analysis to meet the changing conditions of the financial markets.

– Prepare a time schedule for the financing, with each critical component or task identified with the operative date of occurrence. Modify such schedule as needed. The schedule will be circulated to all participants in the financing including City staff, Municipal Advisor, the developer, if any, Bond Counsel, Disclosure Counsel, and the City Attorney's Office.

– Recommend and institute, with the City's concurrence, a marketing plan for selling the financial instruments. Such plan may include distributing preliminary official statements to all individuals, broker-dealers and institutional investors targeting those most likely to purchase the instruments, and following up with telephone calls and other forms of communication.

– Coordinate the financing with the Municipal Advisor, Bond Counsel and Disclosure Counsel regarding the legal requirements of the financing and the preparation and structure of documents, including but not limited to, the preliminary and final official statements.

– Conduct a pre-pricing conference call with City staff the day before the sale. The purpose is to discuss with staff coupon interest rates, prices and yields for the financial instruments to be issued, and to review the comparable sales provided by the Underwriter for recently conducted sales of like issues.

– Purchase the bonds, subject to pertinent resolutions, the official statement, and all other necessary documents with all approvals and proceedings governing such debt obligations having been determined by Bond Counsel, the City, the Municipal Advisor and Underwriter to be satisfactory in all respects for financing purposes.

– Obtain CUSIP Numbers for the bonds, if required.

– Prepare a final pricing report which includes an analysis of the interest rates obtained compared to other comparable financings in the market at that time.

Underwriter / Placement Agent Compensation. See Exhibit 'A'

XI. Bond Counsel Selection

The issuance of debt by the City will include a written opinion by legal counsel affirming that the City is authorized to issue the proposed debt, that the City has met all constitutional and statutory requirements necessary for issuance, and a determination of the proposed debt's federal income tax status. The approving opinion and other documents relating to the issuance of debt will be prepared by counsel with extensive experience in public finance and tax issues.

It is within the City's best interest to be in a position to be able to react quickly and issue debt based on favorable market conditions. Therefore, on a case-by-case basis, firms may be selected to work on a particular financing. The selection of Bond Counsel will be determined by the FO in consultation with the City Attorney's Office.

- **Bond Counsel Responsibilities**. The services to be provided by Bond Counsel will include, but not be limited to, those listed below. Note that if the terms of the specific services differ from those described in a formal contract, the services as described in the contract shall prevail.

  – Provide an objective legal opinion with respect to the authorization and issuance of local agency debt obligations and whether interest paid is tax-exempt under federal and/or state laws and regulations.

  – Research applicable law; preparing documents; consulting with City staff and the financial team; reviewing proceedings; and performing additional duties as necessary to render the opinion.

  – Provide continuing legal advice regarding any actions necessary to ensure that interest will continue to be tax-exempt.

  – Prepare legal documents for the financing, including closing documents and transcripts.

  – Participate, when requested, in activities associated with rating agency reviews.

  – Offer continuing legal advice, as needed, on issues related to the sale and the trustee administration of City's obligations.

  – In cases where a separate Disclosure Counsel is not retained by the City, Bond Counsel will provide the City with a "10b-5 Opinion" with respect to the preliminary and final official statements.

  – Provide a legal opinion with respect to the authorization and issuance of the debt obligations and whether interest paid is tax-exempt.

  – Attend City Council meetings when the debt obligation for which counsel is providing services is being considered. Participate in staff meetings, including post issuance reviews, as requested, relating to the issuance of debt.

- **Bond Counsel Compensation**. See Exhibit 'A'

XII. Consultants

- **Municipal Advisor.** The City may select a Municipal Advisor (or advisors) to assist in its debt issuance and debt administration processes. Selection of the City's Municipal Advisor(s) shall be based on, but not limited to, the following criteria:

  – Experience in providing consulting services to complex issuers.
  – Knowledge and experience in structuring and analyzing complex issues.
  – Experience and reputation of assigned personnel.
  – Fees and expenses.

- **Municipal Advisor Services.** Municipal Advisor services provided to the City shall include, but shall not be limited to those listed below. Note that if the terms of the specific services differ from those described in a formal contract, the services as described in the contract prevail.

  – Take primary responsibility for review of the quantitative analysis of the cash flows provided by the Underwriter. Prepare reports matching all calculations for bond sizing, debt service schedules, savings calculations, bond calls, escrow calculations and cash flows on the project. Prepare any other cash flow schedules as requested by the City.

  – Provide all cash flow schedules in a reasonable and timely fashion to all Finance Team members including but not limited to City staff, Bond Counsel, Underwriter, and Disclosure Counsel. In addition, make all schedules, in presentation form, available to rating agencies and bond insurers as requested by the City.

  – Prepare the detailed costs of issuance, review the gross spread (Underwriter's discount) and review all funds available as contributions to any refinancing.

  – Assist the City in the design and implementation of a credit strategy, including preparation of presentations to credit rating agencies and bond insurers or other credit providers, development of requests for proposals for municipal bond insurance, surety bonds and/or letters of credit, and the analysis of the economic efficiency of any proposed credit enhancement.

  – In the case of a competitive sale of bonds, advise the City on the appropriate terms and parameters for the Notice of Sale and market timing for the receipt of bids.

  – Be available at reasonable times for consultation to render advice regarding all financial aspects of the project as may be requested.

  – Attend meetings and make presentations as requested. Prepare graphs, charts, etc. for staff presentations as needed.

  – Review and comment on all legal documents including, but not limited to, the preliminary and final official statements, resolutions, loan agreements, indentures or fiscal agent agreements.

– Conduct pre-pricing, pricing and post-pricing conference calls with City Staff and Underwriter reviewing market conditions, comparable sales, fees related to the refinancing and final sale results.

– Provide City staff with recent comparable sales from similar projects including information related to that project and the final sale coupons and yields.

– Be responsible and readily available to City staff (or designee) for the handling and answering of any and all questions, inquiries, and correspondence from interested persons referred to the Municipal Advisor by City staff (or designee) regarding the services provided by the Municipal Advisor.

- **Municipal Advisor Compensation**. See Exhibit 'A'

- **Disclosure Counsel**. In any sale of City debt in which legal counsel is required to represent the City, the FO shall select a Disclosure Counsel from qualified firms in consultation with the City Attorney's office. The scope of duties will include, but not be limited to, the following:

– Prepare the preliminary and final official statements.

– Provide a "10b-5 Opinion" with respect to the preliminary and final official statements.

– Prepare all documents and materials necessary to comply with all applicable "continuing disclosure" requirements for the transaction.

– Review, as necessary, applicable law and pertinent documents.

– Attend City Council meetings when the debt obligation for which counsel is providing services is being considered. Participate in staff meetings, including post issuance reviews, as requested, relating to the issuance of debt.

- **Disclosure Counsel Compensation**. See Exhibit 'A'

XIII. Market and Investor Relationships

- **Rating Agencies and Investors.** The FO shall be responsible for maintaining the City's relationships with Moody's Investors Service, Standard & Poor's and Fitch Ratings. The City may, from time to time, choose to deal with only one or two of these agencies as circumstances dictate. In addition to general communication, the FO shall: (1) communicate with credit analysts at least once each fiscal year, and (2) prior to each competitive or negotiated sale, offer conference calls and meetings with agency analysts in connection with any planned sale.

- **City Council Communication.** As appropriate, the FO shall provide feedback to the City Manager from rating agencies and/or investors regarding the City's financial strengths and weaknesses and recommendations for addressing any weaknesses.

- **Continuing Disclosure.** The City shall remain in compliance with Rule 15c2-12 by filing its annual financial statements and other financial and operating data for the benefit of its bondholders.

- **Rebate Reporting.** The use of bond proceeds and their investments must be monitored to ensure compliance with arbitrage restrictions as contained in the Federal Tax Code. Existing regulations require that issuers calculate annual rebates due for interest earnings on bond proceeds in excess of the interest rate on the bonds if any, with rebate, if due, paid every five years. Therefore, the FO shall ensure that proceeds and investments are tracked in a manner which facilitates accurate calculation, that calculations are completed, and rebates, if any, are made in a timely manner.

- **Conduit Financings.** The applicant must go through any Joint Powers Authority (JPA) of which the City is a member. Conduits, or Tax and Equity Fiscal Responsibility Act of 1982 (TEFRA), are (non-city) debt, therefore the City does not act as an issuer for conduit debt. The sole purpose of the JPA is to finance projects that promote economic development through the issuance of bonds.

  Before bonds are issued, the federal tax laws under the TEFRA and Section 147 (f) of the Internal Revenue Code require the JPA member (City of Woodland) to 1) conduct a public hearing and 2) approve the JPA's issuance of indebtedness.

XIV. Post Issuance Compliance

External Advisors / Documentation - The FO and other appropriate City personnel shall consult with Bond Counsel and other legal counsel and advisors, as needed, throughout the Bond issuance process to identify requirements and to establish procedures necessary or appropriate so that the Bonds will continue to qualify for the appropriate tax status. These requirements and procedures shall be documented in a City resolution(s), Tax Certificate(s) and/or other documents finalized at or before issuance of the Bonds. These requirements and procedures shall include future compliance with applicable arbitrage rebate requirements and all other applicable post-issuance requirements of federal tax law throughout (and in some cases beyond) the term of the Bonds.

The FO and other appropriate City personnel also shall consult with Bond Counsel and other legal counsel and advisors, as needed, following issuance of the Bonds to ensure that all applicable post-issuance requirements in fact are met. This shall include, without limitation, consultation in connection with future contracts with respect to the use of bond-financed assets and future contracts with respect to the use of output or throughput of bond-financed assets.

Whenever necessary or appropriate, the City shall engage expert advisors (each a “Rebate Service Provider”) to assist in the calculation of arbitrage rebate payable in respect of the investment of Bond proceeds.

Role of the City as Bond Issuer - Unless otherwise provided by City resolutions, unexpended bond proceeds shall be held by the City and the investment of bond proceeds shall be managed by the FO. The FO shall maintain records and shall prepare regular, periodic statements to the City regarding the investments and transactions involving bond proceeds.

If a City resolution provides for bond proceeds to be administered by a trustee, the trustee shall provide regular, periodic (monthly) statements regarding the investments and transactions involving bond proceeds.

Arbitrage Rebate and Yield - Unless a Tax Certificate documents that Bond Counsel has advised that arbitrage rebate will not be applicable to an issue of bonds:

- the City shall engage the services of a Rebate Service Provider, and the City or the bond trustee shall deliver periodic statements concerning the investment of bond proceeds to the Rebate Service Provider on a prompt basis;

- upon request, the FO and other appropriate City personnel shall provide to the Rebate Service Provider additional documents and information reasonably requested by the Rebate Service Provider;

- the FO and other appropriate City personnel shall monitor efforts of the Rebate Service Provider and assure payment of required rebate amounts, if any, no later than 60 days after each 5-year anniversary of the issue date of the Bonds, and no later than 60 days after the last Bond of each issue is redeemed; and

- during the construction period of each capital project financed in whole or in part by Bonds, the FO and other appropriate City personnel shall monitor the investment and expenditure of Bond proceeds and shall consult with the Rebate Service Provider to determine compliance with any applicable exceptions from the arbitrage rebate requirements during each 6-month spending period up to 6 months, 18 months or 24 months, as applicable, following the issue date of the Bonds.

The City shall retain copies of all arbitrage reports and trustee statements as described below under "Record Keeping Requirements."

Use of Bond Proceeds - The FO and other appropriate City personnel shall:

- monitor the use of Bond proceeds, the use of Bond-financed assets (e.g., facilities, furnishings or equipment) and the use of output or throughput of Bond-financed assets throughout the term of the Bonds (and in some cases beyond the term of the Bonds) to ensure compliance with covenants and restrictions set forth in applicable City resolutions and Tax Certificates;

- maintain records identifying the assets or portion of assets that are financed or refinanced with proceeds of each issue of Bonds;

- consult with Bond Counsel and other professional expert advisers in the review of any contracts or arrangements involving use of Bond-financed facilities to ensure compliance with all covenants and restrictions set forth in applicable City resolutions and Tax Certificates;

- maintain records for any contracts or arrangements involving the use of Bond-financed facilities as might be necessary or appropriate to document compliance with all covenants and restrictions set forth in applicable City resolutions and Tax Certificates;

- meet at least annually with personnel responsible for Bond-financed assets to identify and discuss any existing or planned use of Bond-financed, assets or output or throughput of Bond-financed assets, to ensure that those uses are consistent with all covenants and restrictions set forth in applicable City resolutions and Tax Certificates.

All relevant records and contracts shall be maintained as described below.

Record Keeping Requirements - Unless otherwise specified in applicable City resolutions or Tax Certificates, the City shall maintain the following documents for the term of each issue of Bonds (including refunding Bonds, if any) plus at least three years:

- a copy of the Bond closing transcript(s) and other relevant documentation delivered to the City at or in connection with closing of the issue of Bonds;

- a copy of all material documents relating to capital expenditures financed or refinanced by Bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, trustee requisitions and payment records, as well as documents relating to costs reimbursed with Bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with Bond proceeds;

- a copy of all contracts and arrangements involving private use of Bond-financed assets or for the private use of output or throughput of Bond-financed assets; and

- copies of all records of investments, investment agreements, arbitrage reports and underlying documents, including trustee statements.

XV. Glossary for definition of terms www.investinginbonds.com

EXHIBIT 'A'

COMPENSATION SCHEDULE

Underwriter / Placement Agent Compensation - The fee paid to the Underwriter / Placement Agent shall be negotiated on a case-by-case basis. The Underwriter / Placement Agent shall be compensated based on the following terms.

- The fee for each financing will be negotiated based on the complexity and size of the specific transaction.
- Reimbursement for actual out-of-pocket expenses shall not exceed 10% of the fee. The qualified firm must submit invoices for such expenses satisfactory to the City prior to reimbursement of any out-of-pocket expense.
- All fees are contingent upon the successful completion of the City's financing.
- Underwriter / Placement Agent compensation will be set in collaboration with the Municipal Advisor and will be based on the prevailing market for fees paid for in comparable issue types, complexities and size.
- The Underwriter's Discount allowed on a bond issue shall include management fees, takedown, Underwriter's risk, and expenses of sale, including but not limited to, Underwriter's counsel, travel and out-of-pocket expenses, computer and modeling, charges from the California Debt Advisory Commission (CDIAC), assignment of CUSIPS, day loan charges, and other usual and customary costs incurred by the Underwriter.

Bond Counsel Compensation. The fee paid to Bond Counsel shall be negotiated on a case-by-case basis. The Bond Counsel shall be compensated based on the following terms.

- The fee for each financing will be negotiated based on the complexity and size of the specific transaction.
- Reimbursement for actual out-of-pocket expenses shall not exceed 10% of the fee. The qualified firm must submit invoices for such expenses satisfactory to the City prior to reimbursement of any out-of-pocket expense.
- All fees are contingent upon the successful completion of the City's financing.
- Fees may be negotiated by the FO outside of the above schedule to accommodate unusual or special circumstances

Municipal Advisor Compensation. Municipal Advisor compensation shall be negotiated on a case-by-case basis. The Municipal Advisor shall be compensated based on the following terms.

- The fee for each financing will be negotiated based on the complexity and size of the specific transaction.
- Reimbursement for actual out-of-pocket expenses shall not exceed 10% of the fee. The qualified firm must submit invoices for such expenses satisfactory to the City prior to reimbursement of any out-of-pocket expense.
- All fees are contingent upon the successful completion of the City's financing.
- Fees may be negotiated by the FO to accommodate unusual or special circumstances

- **Disclosure Counsel Compensation**. The fee paid to Disclosure Counsel shall be negotiated on a case-by-case basis not to exceed the fees paid to the Bond Counsel. The Disclosure Counsel shall be compensated based on the following terms.
  - The fee for each financing will be negotiated based on the complexity and size of the specific transaction.
  - Reimbursement for actual out-of-pocket expenses shall not exceed 10% of the fee. The qualified firm must submit invoices for such expenses satisfactory to the City prior to reimbursement of any out-of-pocket expense.
  - All fees are contingent upon the successful completion of the City's financing.

City Hall
300 First Street
Woodland, CA 95695

Legislation Text

4.

File #: 17-0487, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Library Improvement Project, CIP 15-08; Final Acceptance and Notice of Completion

Recommendation for Action: Staff recommends that the City Council approve Resolution No. _____, accepting the Library Improvement Project, CIP 15-08, as complete and authorizing the City Clerk to file a Notice of Completion.

Staff Contact

Sara Andreotti, Engineering Tech - (530) 661-5951, sara.andreotti@cityofwoodland.org

Fiscal Impact

The total project budget is $ 618,023 as identified in the current Capital Budget as project CIP 15-08. The project is funded by Measure E with additional funds from the Library Trust Fund. This project funding is consistent with the current approved Capital Budget and the Measure E Spending Plan.

There is no impact to the General Fund.

Background

The learning lab or "makerspace" is a creative, mentor-led learning environment where people can create, and invent. Makerspaces enable the community to design and use technology that otherwise is not possible with the resources available to individuals. The new learning lab is located in an existing 1,600 SF space that was previously used as storage for the library.

Discussion

The Contract was awarded by the City Council, on December 6th 2016, in the amount of $374,800 to Monley Hamlin Inc. for the Library Improvement Project CIP 15-08 with authorized contingency not to exceed $28,000. Construction started on January 17, 2017.

Change orders for the Library Improvement Project were executed throughout the course of the project to account for unforeseen site conditions. These change orders totaled $20,739, which was 5.5% of the Council approved contingency of 7.5%.

The project is now complete and the project is ready for acceptance.

The project cost breakdown as the time of this report is as follows:

Planning	$25,846
Total Design and Bid/Construction Assistance	**$169,055**
Total Construction	**$413,364**
Construction Contract	$395,539
Construction Management and Inspection	$17,825
Project to Date	**$608,266**

These costs do not include the cost of equipment and furnishing of the makerspace room. These items were purchased by the Library separate from the construction contract.

Conclusion

Staff recommends that the City Council approve Resolution No. _____, accepting the Library Improvement Project, CIP 15-08, as complete and authorizing the City Clerk to file a Notice of Completion.

Prepared by: Sara Andreotti, Engineering Technician

Reviewed by: Brent Meyer, City Engineer
Ken Hiatt, Assistant City Manager - Community & Economic Development

Paul Navazio

Paul Navazio, City Manager

ATTACHMENTS:
Attachment A - Resolution

RESOLUTION NO. ______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND TO ACCEPT THE LIBRARY IMPROVEMENT PROJECT, CIP 15-08 AND AUTHORIZE THE CITY CLERK TO FILE A NOTICE OF COMPLETION

WHEREAS, the City Council originally approved the plans and specifications July 19, 2016 and rejected all bids and authorized re-advertisement for bids on October 18, 2016; and the City of Woodland opened bids on November 15, 2016; and

WHEREAS, the City Council on December 6, 2016 authorized the City Manager to award and execute a construction contract; and

WHEREAS, the City Manager executed the construction contract with Monley Hamlin, Inc. on December 20, 2016; and

WHEREAS, construction began in January 17, 2017 and was substantially completed in May 2, 2017.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WOODLAND AS FOLLOWS:

Section 1. The City Council hereby accepts the Library Improvement Project, CIP 15-08 and authorizes the City Clerk to file a Notice of Completion.

PASSED AND ADOPTED by the City Council this 20th day of June, 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Angel Barajas, Mayor

ATTEST:

____
Ana B. Gonzalez, City Clerk

Legislation Text

5.

File #: 17-0490, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Approve Consultant Services Agreement for 2017 Corridor Safety Study Project, CIP 17-17

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. _____, to approve a consultant services agreement for with Fehr & Peers, in the amount of $148,000 for the 2017 Corridor Safety Study Project and authorize the City Engineer to execute the agreement and amendments, as necessary, up to 20% of the agreement amount.

Staff Contact

Sara Andreotti, Engineering Technician, (530) 661-5967, Sara.Andreotti@cityofwoodland.org

Fiscal Impact

The approved Capital Budget includes $200k in funding for the 2017 Corridor Safety Study Project consisting of $180k SSARP (HSIP) grant and $20k Measure E match funding.

There is no impact in the General Fund.

Background

On July 2016, the City of Woodland was selected to receive $180,000 from the Systemic Safety Analysis Report Program (SSARP), after competing with other agencies statewide. This year, $10 million from the Highway Safety Improvement Program (HSIP) was set aside and exchanged for state funds to implement the Systemic Safety Analysis Report Program (SSARP). The intent of the SSARP is to assist local agencies in performing a collision analysis, identifying safety issues on their roadway networks, and developing a list of systemic low-cost countermeasures that can be used to prepare future HSIP, safety program applications and other applications.

On April of 2017, the City received the Statement of Qualifications from consultants in response to the RFP advertised in March of 2017.

Discussion

In December, 2016, Council accepted the Systemic Safety Analysis Report Program (SSARP) State Grant in the amount of $180,000, amended the FY 16/17 Capital Budget to include funding for the 2017 Corridor Safety

Study Project, CIP 17-17 and approved the appropriation in the amount of $20,000 from Measure E to fund the 2017 Corridor Safety Study Project.

The study will evaluate safety needs and opportunities on the following corridors:

- Main Street (east to west city limit)
- Gibson Road (east to west city limit)
- Court Street (Ashley Street to East Street)
- W. Kentucky Avenue (County Road 98 to West Street)
- East Street (north to south city limits)
- Matmor Road (E. Main Street to Sports Park Drive)
- West Street (north to south city limits)
- Pioneer Avenue (E. Main Street to Farmers Central)

Staff completed the Qualification Based Selection process and selected Fehr & Peers as the top rated consultant, among a total of 6 applicants, to perform the Systemic Analysis Study according to the program guidelines. Staff is requesting that Council approve a consultant services agreement with Fehr and Peers.

Staff is requesting that Council approve a consultant agreement contingency up to 20% to account for additional safety studies the City might want to include in the agreement scope.

Conclusion

Staff recommends that the City Council adopt Resolution No. _____, to approve a consultant services agreement for with Fehr and Peers, in the amount of $148,000 for the 2017 Corridor Safety Study Project and authorize the City Engineer to execute the agreement and amendments, as necessary, up to 20% of the agreement amount.

Prepared by: Sara Andreotti, Engineering Technician

Reviewed by: Brent Meyer, City Engineer
Ken Hiatt, Assistant City Manager - Community & Economic Development

Paul Navazio, City Manager

ATTACHMENTS:
Attachment A - Resolution

RESOLUTION NO. ___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND TO APPROVE THE CONSULTANT SERVICES AGREEMENT WITH FEHR & PEERS FOR THE 2017 CORRIDOR SAFETY STUDY PROJECT, CIP 17-17

WHEREAS, the City of Woodland has received a Safety Analysis Report Program (SSARP) State Grant in the amount of $180,000.00 from the Department of Transportation; and

WHEREAS, the City accepted the Systemic Safety Analysis Report Program (SSARP) State Grant Fund in the amount of $180,000; and

WHEREAS, the City amended the FY 16/17 Capital Budget to include the 2017 Corridor Safety Study Project, CIP 17-17; and

WHEREAS, the City funded the 2017 Corridor Safety Study Project, CIP 17-17 with a budget appropriation in the amount of $20,000 from the Measure E Fund.; and

WHEREAS, the City performed a quality based selection process evaluating six consultant submittals and selected Fehr & Peers as the most qualified consultant to perform the services; and

WHEREAS, the City wishes to approve the consultant services agreement with Fehr & Peers through the adoption of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WOODLAND AS FOLLOWS:

Section 1. The City Council hereby approves the consultant services agreement with Fehr & Peers, in the amount of $XXX,XXX for the 2017 Corridor Safety Study Project and authorize the City Engineer to execute the agreement and amendments as necessary up to 20% of the agreement amount.

PASSED AND ADOPTED this 20th day of June 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Angel Barajas, Mayor
ATTEST:

____
Ana B. Gonzalez, City Clerk

Legislation Text

6.

File #: 17-0498, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Summary Vacation of Utility Easements on a Parcel Located at 20 North Cottonwood St.

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. _____, approving summary vacation of utility easements on a parcel located at 20 North Cottonwood St.

Staff Contact

Bruce D. Pollard, (530) 661-5820, bruce.pollard@cityofwoodland.org

Fiscal Impact

None

Background

The site includes the former Yolo General Hospital land (also known as the Peterson Clinic). The project site currently consists of APN 064-051-039, located at the northeast corner of North Cottonwood Street and West Beamer Street. The site includes an easement for a City water line and a drainage easement to the City. The hospital buildings have been razed and a project to build an apartment complex is in process. The project includes 80 low and very low-income units with an onsite complex manager. The existing easements conflict with the new buildings and the project proponent, Mercy Housing, requested the City vacate the easements so that construction may proceed. Although Mercy Housing is the project proponent, the underlying property is owned by the Yolo County Housing Authority.

Discussion

The applicant, Mercy Housing, has requested that the City vacate the easements so that they may complete their buildings. The water line in the water easement is not currently in use and the City Utility department does not foresee using the waterline again. The drainage easement is also not in use and has no foreseeable future use. Both facilities are being superseded by nearby lines in the public right of way. These combined factors make the easements eligible for summary vacation in compliance with 8330-8336 of the Streets and Highway Code. Approval of the resolution will allow staff to execute a Quitclaim deed and the underlying property will be free of the easements.

Conclusion

Staff recommends that the City Council adopt Resolution No. _____, approving summary vacation of utility easements on a parcel located at 20 North Cottonwood St.

Prepared by: Bruce D. Pollard, Senior Civil Engineer

Reviewed by: Brent Meyer, City Engineer
Ken Hiatt, Assistant City Manager - Community and Economic Development

Paul Navazio, City Manager

ATTACHMENTS:
Attachment A - Resolution
Attachment B - A Copy of the Easement Descriptions
Attachment C - Location Map

RESOLUTION NO. ______

A RESOLUTION OF THE CITY OF WOODLAND CITY COUNCIL APPROVING SUMMARY VACATION OF UTILITY EASEMENTS ON A PARCEL LOCATED AT 20 NORTH COTTONWOOD ST.

WHEREAS, The City of Woodland currently owns a drainage easement and sewer line easement located on APN 064-051-039; located at 20 North Cottonwood Avenue; and

WHEREAS, the current property owner is involved with the construction of high density housing that will be in conflict with the existing easements; and

WHEREAS, the previous land use has been razed and the drainage easement is no longer needed and is superseded by a storm drain located adjacently; and

WHEREAS, the waterline through the property has been shut off and no longer is in use by the City; and

WHEREAS, the water conveyance has been superseded by a nearby waterline; and

WHEREAS, the City has determined that this waterline easement will not be needed in the future; and

WHEREAS, a licensed land surveyor has prepared legal descriptions of these excess land rights and the legal descriptions are attached and incorporated into this resolution by reference;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WOODLAND AS FOLLOWS:

Section 1. The City Council of the City of Woodland in accordance with chapter (1) 8330-8335 of the Streets and Highway Code does summarily vacate the land as described in the attached legal descriptions

Section 2. The City Council hereby authorizes the City Manager is hereby authorized execute related Quitclaim Deeds to the property to the underlying property owner, Yolo County Housing Authority.

PASSED AND ADOPTED this ________ day of ___________ 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Angel Barajas, Mayor

ATTEST:

____
Ana B. Gonzalez, City Clerk

EXHIBIT "A"
PROPERTY DESCRIPTION
Page 1 of 1

DRAINAGE EASEMENT ABANDONMENT

All that real property situated in the City of Woodland, County of Yolo, State of California, being a portion of Parcels 1 and 2 of that certain Lot Line Adjustment, Document No. 2016-0005173-000, Yolo County Official Records, Yolo County, California, being more particularly described as follows:

All of the 10 foot wide drainage easement as shown on that certain Instrument recorded in Book 1369 of Official Records, at Page 621, Yolo County, California.

WATERLINE EASEMENT ABANDONMENT

All that real property situated in the City of Woodland, County of Yolo, State of California, being a portion of Parcels 1 and 2 of that certain Lot Line Adjustment, Document No. 2016-0005173-000, Yolo County Official Records, Yolo County, California, being more particularly described as follows:

All of the 10 foot wide waterline easement as shown on that certain Instrument recorded in Book 637 of Official Records, at Page 360, Yolo County, California.

Prepared by: Cunningham Engineering Corp.
May, 2017

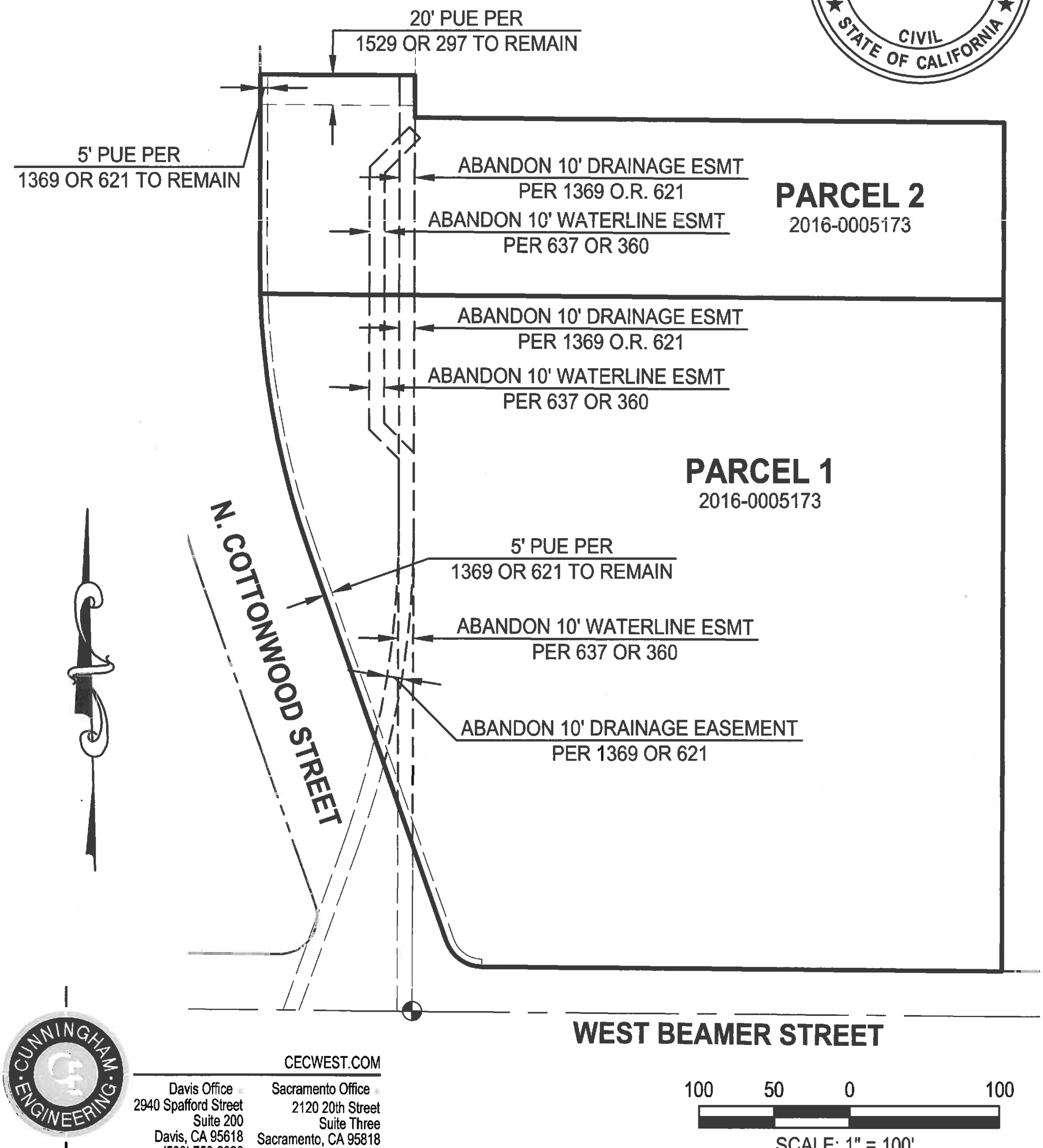
REGISTERED PROFESSIONAL ENGINEER
CHARLES W. CUNNINGHAM
No. C30339
CIVIL
STATE OF CALIFORNIA

EXHIBIT "B"
PLAT

A PORTION OF PARCELS 1 AND 2 OF LOT LINE ADJUSTMENT, DOCUMENT 2016-0005173, RECORDS OF YOLO COUNTY
CITY OF WOODLAND   COUNTY OF YOLO   STATE OF CALIFORNIA

CUNNINGHAM ENGINEERING
MAY 2017   SCALE: 1" = 100'
SHEET 1 OF 1 SHEETS

REGISTERED PROFESSIONAL ENGINEER
CHARLES W. CUNNINGHAM
No. C30339
CIVIL
STATE OF CALIFORNIA

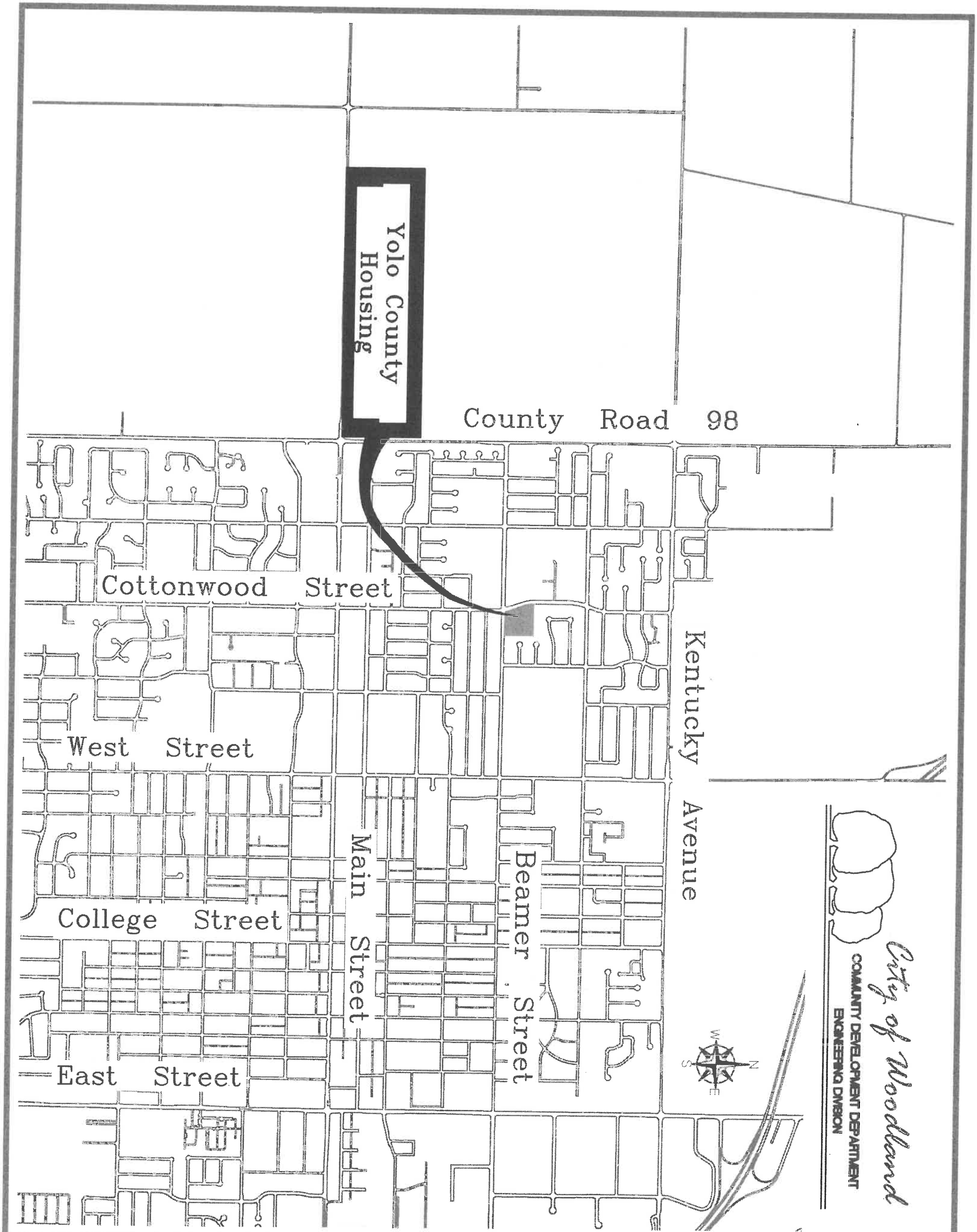


CUNNINGHAM ENGINEERING
CECWEST.COM

Davis Office
2940 Spafford Street
Suite 200
Davis, CA 95618
(530) 758-2026

Sacramento Office
2120 20th Street
Suite Three
Sacramento, CA 95818
(916) 455-2026

1454.10.05


Yolo County Housing
County Road 98
Cottonwood Street
West Street
College Street
East Street
Main Street
Beamer Street
Kentucky Avenue
City of Woodland
COMMUNITY DEVELOPMENT DEPARTMENT
ENGINEERING DIVISION

File #: 17-0500, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Public Works Quarterly Status Report for the period of March through May 2017

Recommendation for Action: Staff recommends that the City Council accept the Public Works Department's Quarterly Status Report.

Staff Contact

Johanna Currie - Senior Management Analyst - 530-661-5902
Johanna.currie@cityofwoodland.org

Background

This quarterly status report covers the period of March through May 2017. The Report presents a summary of Service Requests and Work Orders received and created, and also contains a narrative description of major work performed and/or notable Department highlights.

Highlights of the Report

- Conducted first landscape design workshop in partnership with Yolo County Resource Conservation District
- Facilities Services achieved its goal of having zero service requests older than 30 days
- Wells 10 & 13 have been disconnected from our system.
- The City started delivering recycled water to a few parks in May 2017.

Conclusion

Staff recommends that Council receive the Report and advise if they have any questions

Prepared by: Johanna Currie, Senior Management Analyst

Reviewed by: Gregor G. Meyer, Public Works Director

Paul Navazio, City Manager

Attachment

Public Works Department

Quarterly Status Report

March through May 2017

Public Works

Service and Work Order Requests

For the Months of March through May 17		
Division	**Service Requests**	**Work Orders**
Administration	471	-
Electrical	116	73
Environmental Services	455	-
Facilities	121	281
Fleet	-	338
Pretreatment	-	61
Sewer	84	285
Signs & Markings	10	252
Storm Drain	15	201
Streets	81	172
WPCF	-	63
Water	966	412
Grand Total	**2,319**	**2,138**

Service Requests – Every time a request for Public Works services is made by phone call, written request, emailed request, or an actual one-on-one request to a PW employee, a **'Service Request'** is generated. This builds a computerized record of all requests made.

Work Orders – A **'Work Order'** is created each time a work crew or individual is assigned a task as a result of either service requests, pre-planned maintenance projects, or by other situations as they arise. This produces a database of work accomplished and the time and materials it took to do the work.

Total for Calendar Year 2017 Through 5/31/17	
Service Requests	Work Orders
3,878	**3/417**

68 Working Days This Quarter = **34 Requests for Service per Day**

*Parks and Urban Forestry moved to Community Services Department as of 7/1/16. Parks and Urban Forestry figures will no longer be included in Public Works Quarterly report.

Environmental Services Division

The following were major projects this quarter:

- Solar project – Interconnection and testing completed on the Water Pollution Control Facility array; PG&E to conduct final inspection in early June.

- Solid waste – Continued efforts to amend Waste Management franchise agreement to add food waste collection service and rates; continued customized multifamily recycling outreach, and increased C&D recycling outreach.
- Energy – Completed exploration of Community Choice Energy (CCE) with the CCE technical advisory committee and administrative steps to join Valley Clean Energy Alliance.
- Water conservation – Conducted first landscape design workshop in partnership with Yolo County Resource Conservation District, and held the annual water-wise landscape tour in coordination with the California Honey Festival.

Fleet & Facilities Division

- Facilities Services: Facilities Services achieved its goal of having zero service requests older than 30 days! We are now focusing on establishing an asset register of all our HVAC equipment in CityWorks. Our goal is to be able to plan for future maintenance and replacement needs and to set aside appropriate funding for such needs or, at the very least, to be able to ascertain our liability costs. Once HVAC assets are identified, we will add other asset groups to the register.
- Fleet Services: Fleet Services recruited for a second Heavy Equipment Mechanic in May, but was unable to fill the position as none of the candidates made the Eligibility List. The Heavy Equipment Mechanic position has been identified to be below market salary and, as a consequence, we have experienced a high turnover rate and it's been difficult to recruit people with the desired skills. Management devised a strategy to upgrade one of the Heavy Equipment Mechanic positions to a Fire Mechanic position with higher pay, and that decision package is being considered in the FY18/19 budget review. Fleet Services is awaiting the outcome of the budget review before moving forward with another round of recruitment. In the meantime, the Shop has a backlog of 21 Fire Department Service Requests and 20 vehicles are overdue for preventative maintenance.

Right of Way Division

- Electrical: SCADA (Supervisory Control and Data Acquisition) Terminal Server: The Electrical group is in the process of updating the SCADA servers to a new virtual platform. This project is needed to keep the systems reliable for operations and for State and Federal reporting requirements. This project is 100% complete.
- Electrical: Control System Security: The Electrical and IT Group are working in a joint effort to test the security reliability of our Industrial and Traffic Control Systems. We will be working in conjunction with Homeland Security to eliminate potential targeted attacks on the City's Water, Wastewater and Traffic infrastructure. This project is projected to take one to two years to complete.
- Sign & Markings: Overhead Sign Replacements: The Signs & Markings group is in the process of replacing 8 selected intersection overhead street name signs. This project is necessary due to the loss of reflectivity value of the designated sign areas. Once this project is complete, the entire City's overhead sign inventory will meet the current California Manual on Uniform Traffic Control Devices (CAMUTCD) reflectivity standards. This project has been underway since December 2013 and we have set a targeted completion date of January 2018. We are roughly 60% complete with this portion of the project.

- Streets: 2017 Seal Project: In preparation for the 2017 seal project in Zones 12 and 13, the Street group has continued routine maintenance in these areas. To date, the Street group has crack-sealed 95% of both of these zones and completed 50% of skin paving and base repairs.
- Streets: Sidewalk Trip Hazard Removal: This past quarter the Streets Group has contracted the removal of trip hazards to Precision Concrete Cutting. The area focused on was Court between Walnut and West, in addition to Grand Ave, First, Second and Third St. between Beamer and Clover. This project area was selected due to high volume foot traffic and trip hazards created by City trees. We removed roughly 706 trip hazards in this area.

Utilities - Sewer and Storm Division

- The filling of one of two Heavy Equipment Mechanic positions in the Fleet Division within the last two months has greatly reduced the downtime and turnaround time on our High Velocity/Vacuum Cleaning (HVVC) units. The Wastewater Collections Crew has still logged approximately 220 hours of downtime due to staffing. The Closed Circuit Television (CCTV) crew has logged 533 hours of down time due to staffing on our units, as well as 260 hours due to breakdown. The breakdown is attributable to multiple camera issues (not related to the Fleet Division). Employee turnover has resulted in staffing downtime and the loss of expertise with the technical equipment. The remaining seasoned staff have been temporarily reprioritized to Capital Improvement (CIP) and Community Development Department (CDD) projects. The recent addition of the new HVVC unit has helped us increase productivity with less downtime in order to meet our mandated Sanitary Sewer Master Plan (SSMP) and Municipal Separate Storm Sewer Systems (MS4) requirements.
- The Collections Division's focus this quarter is HVVC & CCTV of the storm mains in order to fulfill part of our MS4 permit. We have cleaned 72,297 feet this quarter and televised 22,792 feet.
- Collections Division, in conjunction with the Utility Engineering Division, has contracted out over 100 sewer lateral replacements as part of an annual Water & Sewer CIP, and completed the lining of 52 sewer laterals. Collections crews CCTV'd 3,314 feet of the sewer laterals as part of the project and are performing on open cut replacements on the remainder. These repairs will reduce Sanitary Sewer Overflows and emergency call outs.
- In addition to the CIP projects, collections Operation & Maintenance crew repaired/replaced 21 sewer service laterals totaling approximately 567 feet, along with replacing 19 tap connections and 5 sewer gravity main repairs totaling 25 feet.
- Collections Service Technicians have responded to 932 USA ticket requests and marked out sewer/storm infrastructure, all the while responding to numerous service requests.

Utilities - Water Production and Distribution Division

- Wells: All groundwater wells are currently off or in the "standby" position. Wells 10 & 13 have been disconnected from our system.

- New Aquifer Storage and Recovery (ASR) Wells 29 & 30 are currently under construction and are making good progress. Well 28 will begin aquifer injection the first week of June.
- Distribution Division - Recycled Water: Final inspection of this project will take place the first week of June.
- Water Quality: We have seen some improvement in this area, and expect to see more as demand picks up. Provisions for adjustments to the treatment process are underway with plans to introduce a new corrosion inhibitor into the system this quarter.
- Water Main Breaks: 13
- Water Main Valves Replaced: 5
- Water Quality Calls: 65
- Blow-off's Flushed: 159
- Water Main Valves Exercised: 198

Wastewater Operations Division

Laboratory

- Analyzing samples for Discharge Monitoring Report Quality Assurance (DMRQA) Study 37. The State Water Board requires us to participate in this annual study in order to demonstrate the accuracy of our work.
- Completed Annual Grit & Rags testing as required by the Yolo County Landfill
- Continuing with testing for coliform bacteria 7-days/week in support of the recycled water project.
- Groundwater Monitoring for the second quarter of 2017

Pretreatment

- Local Limits Monitoring for the second quarter of 2017
- Developed Local Limits report format for the Water Information Management Solution (WIMS) database
- The quarter saw significant Industrial User monitoring
- Continuing work on incorporating record keeping for storm water data in to the WIMS database.

Regulatory Compliance

- Prepared & submitted monthly, quarterly, and annual reports to the Regional Board in accordance with our National Pollutant Discharge Elimination System (NPDES) Permit.
- Continuing to work through the Toxicity Reduction Evaluation (TRE – an ongoing Toxicity study) process in conjunction with our consultant and the Board.
- Participating in the Central Valley Clean Water Association (CVCWA) special study on low-level toxicity starting in summer 2017.
- Continuing to monitor and comment on proposed changes to the Environmental Laboratory Accreditation Program (ELAP), via our participation, along with other member agencies, in the CVCWA Laboratory Committee.

Water Pollution Control Facility

- Plant Operations: The Treatment plant staff continues transitioning to operating the upgraded facility. Learning how the plant responds to upsets, changes in operating procedures, and changing weather all have to be evaluated with careful attention to how it effects effluent quality. Operation and Maintenance has begun planning for preventative maintenance of the new aeration basins by starting basin 4 back up in preparation for taking another basin out of service for inspection and preventative maintenance of the basins aeration diffusors. This is going to become an annual maintenance activity much like the cleaning and inspection of the in-service clarifiers.
- Recycled water delivery: The City started delivering recycled water to a few parks in May 2017, and the system's primary customer (Biomass) in February 2017. As with any new system there is a learning curve to get through; the Wastewater Operations, Water Distribution / Production and CDD staff are working together to provide our customers with recycled water. The City is working on developing the system to better serve its customers by adding additional storage capacity and operational fine-tuning to make sure it can provide enough water consistently and reliably.

City Hall
300 First Street
Woodland, CA 95695

Legislation Text

8.

File #: 17-0514, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Second Reading and Adoption of Ordinance approving the Extension of the Development Impact Fee Deferral Program

Recommendation for Action: Staff recommends that the City Council conduct the second reading and adopt Ordinance approving the Extension to the Development Impact Fee Deferral Program.

Staff Contact

Wendy Ross, Economic Development Mgr. (530)661-5921, wendy.ross@cityofwoodland.org

Council Goal

Provide for a diversified economic base with a range of employment opportunities by supporting growth of existing businesses, and providing expanded opportunities for new business through targeted infrastructure investments and leveraging existing community and regional assets.

Fiscal Impact

The fiscal impact to the City would be potential net loss of interest earnings for any residential lots that requests deferral as prescribed by SB2604 (which allows for fee deferrals on residential properties at 0% interest), if continued. Since establishing the deferral program, there have been 37 residential fee deferrals processed. There is no fiscal impact for non-residential projects as the City will collect interest for each approved project that also takes advantage on the City's fee deferral program.

Background

At its June 6, 2017 meeting, the City Council introduced and waived the first reading and adopted by title only, an Ordinance amending the Woodland Municipal Code section 6B-110 to extend the City's temporary development impact fee deferral program for an additional five years.

Conclusion

Staff recommends that the City Council conduct the second reading and adopt Ordinance approving the Extension to the Development Impact Fee Deferral Program.

Prepared by: Wendy Ross, Economic Development Manager

Reviewed by: Ken Hiatt, Assistant City Manager - Community and Economic Development

Paul Navazio, City Manager

ATTACHMENTS

1. Attachment A-City Council Ordinance for the Extension of the Development Impact Fee Deferral Program

ORDINANCE NO.______________

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WOODLAND, CALIFORNIA, AMENDING SECTION 6B-110 OF THE WOODLAND MUNICIPAL CODE RELATING TO THE DEFERRAL OF CERTAIN DEVELOPMENT IMPACT FEES

WHEREAS, the City of Woodland ("City") requires the payment of various development impact fees to help address the impacts of new development; and

WHEREAS, the City recognizes that the payment of fees represents a substantial financial commitment for many projects; and

WHEREAS, the construction multi-family residential development and non-residential/commercial/industrial projects has significantly high fee burden and a relatively longer construction period, typically 12-18 months, making the program beneficial; and

WHEREAS, the reduction of non-residential developments continues to leave large tracts of land located throughout the City vacant and undeveloped; and

WHEREAS, the inability of developers to construct new development within the City due to the substantial financial commitment for many projects has restricted the City's revenue through the loss of potential *ad valorem* tax revenue and/or sales tax revenue; and

WHEREAS, in an effort to spurn development and associated City revenues, the City Council adopted Ordinance No. 1501 on December 8, 2008, permitting developers to defer development impact fees for certain projects until June 30, 2010; and

WHEREAS, the City Council adopted Ordinance No. 1528 was adopted on May 17, 2011 to extend the sunset date until June 30, 2013; Ordinance No. 1550 on May 21, 2013 to extend the sunset date until June 30, 2015; and Ordinance No. 1585 on July 7, 2015 to extend the sunset date to June 30, 2017; and

WHEREAS, to ensure the continued development of residential and non-residential projects and the receipt of accompanying tax revenue, the City Council wishes to extend Ordinance No. 1585 for an additional five years.

NOW, THEREFORE, the City Council of the City of Woodland does hereby ordain as follows:

Section 1. <u>Purpose</u>. The purpose of this Ordinance is to amend Section 6B-110 of the Woodland Municipal Code to extend the City's temporary development impact fee deferral program for an additional five years.

Section 2. <u>Authority</u>. The City Council enacts this Ordinance under the authority granted to cities by Article XI, Section 7 of the California Constitution.

Section 3. <u>CEQA</u>. The adoption of this Ordinance is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3), which provides that CEQA only applies to projects which have the potential for causing a significant effect on the environment. Where it can be determined that the proposed project will not have a significant adverse effect on the environment, the project is not subject to CEQA. This Ordinance would temporarily extend a program to allow for the deferral of certain development impact fees and does not propose nor authorize any action that would have the potential to cause a significant adverse effect on the environment. Furthermore, this Ordinance explicitly requires that a project must have completed all environmental compliance requirements in order to be eligible for the deferral of certain development impact fees. Thus, it can be established with certainty that this Ordinance will not have a significant adverse effect on the environment and is therefore not subject to CEQA. Pursuant to the foregoing, a Notice of Exemption has been prepared and completed in accordance with CEQA.

Section 4. Amendment. Section **6B-110** of the Woodland Municipal Code is amended to read in full as follows:

> **Sec. 6B-110. Expiration.** This chapter shall remain in effect until June 30, 2022, and shall thereafter be automatically repealed and of no further force and effect.
> The City Council may, at its sole discretion, extend the fee deferral program at any time prior to the expiration date set forth herein.

Section 5. Severability. If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. This City Council hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance be enforced.

Section 6. Effective Date and Publication. The City Clerk shall certify to the adoption of this Ordinance, and the City Clerk shall cause this Ordinance to be posted or published as prescribed by law. This Ordinance shall take effect thirty (30) days following its adoption.

PASSED AND ADOPTED this ________day of_____________, 2017 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Angel Barajas, Mayor

ATTEST:

____
Ana B. Gonzalez, City Clerk

APPROVED AS TO FORM:

____
City Attorney

City Hall
300 First Street
Woodland, CA 95695

Legislation Text

9.

File #: 17-0528, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Oil Payment Program FY17 Budget Increase

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. _____, authorizing an additional FY 2016/17 appropriation of $2,000 in the Used Oil Payment Program Fund for a total appropriation of $18,000.

Staff Contact

Rosie Ledesma, Conservation Coordinator
(530) 661-2059, rosie.ledesma@cityofwoodland.org

Fiscal Impact

This action will increase the Fund 386 appropriation by $2,000. The increase is offset by a grant payment received in April 2017.

Discussion

Environmental Services receives a Used Oil Payment, formerly called the Used Oil Grant, from CalRecycle each year. Each payment cycle is for 2 years and overlaps with the next cycle’s funding.

In April 2016, Environmental Services received a Used Oil Payment (OPP 6) in the amount of $15,934 that needs to be spent by June 30, 2017. In April 2017, Environmental Services received funds in the amount of $16,005 for the next cycle (OPP 7), which are eligible to be spent between July 1, 2016 and June 30, 2018. Expenses for the current fiscal year program have exceeded the OPP 6 amount budgeted for FY 2016/17 and we have now started spending the OPP 7 funds, budgeted for FY 2017/18.

The Used Oil Payment Program, Fund 386, will incur approximately $2,000 in expenses between now and the end of the fiscal year above the amount budgeted for FY 2016/17.

Because there is currently insufficient money budgeted in the Used Oil Payment Program Account, these expenses cannot be paid. Staff is requesting the increase so that all outstanding invoices can be paid in FY 2016/17.

Conclusion

Staff recommends that the City Council adopt Resolution No. _____, authorizing an additional FY 2016/17 appropriation of $2,000 in the Used Oil Payment Program Fund for a total appropriation of $18,000.

Prepared by: Rosie Ledesma, Conservation Coordinator

Reviewed by: Gregor G. Meyer, Public Works Director

Paul Navazio, City Manager

Attachment: Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND APPROVING AN INCREASE TO THE FISCAL YEAR 2016/17 USED OIL PAYMENT PROGRAM (FUND 386) BUDGET

WHEREAS, In April 2016, Environmental Services received a Used Oil Payment (OPP 6) in the amount of $15,934 that needs to be spent by June 30, 2017; and

WHEREAS, In April 2017, Environmental Services received a Used Oil Payment (OPP 7) in the amount of $16,005 that is eligible to be spent between July 1, 2016 and June 30, 2018; and

WHEREAS, the City of Woodland has spent all OPP 6 funds and wishes to spend $2,000 from OPP 7 funds that was not budgeted for Fiscal Year 2016/17; and

WHEREAS, staff wishes to modify the Fiscal Year 2016/17 appropriations for the Oil Payment Program, Fund 386, from $16,000 to $18,000 to cover these expenditures; and

WHEREAS, the additional expenditures will be offset by the grant funding that was received in April 2017.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WOODLAND that the FY 2016/17 Used Oil Payment Program appropriation shall be increased by $2,000.

PASSED AND ADOPTED by the City Council this 20th day of June 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Angel Barajas, Mayor

ATTEST:

____
Ana B. Gonzalez, City Clerk

APPROVED AS TO FORM:

____
Kara K. Ueda, City Attorney

Legislation Text

10.

File #: 17-0534, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: 2017 4th of July Sponsors, Volunteers, and Listing of Events

Recommendation for Action: Staff recommends that the City Council receive a report on the 4th of July sponsors, volunteers, and activities.

Staff Contact: Kris Bain, Community Services Program Manager - (530) 661-2002, krista.bain@cityofwoodland.org

Background

Many events have been planned for July 4th. The day's activities are made possible through donations from businesses and individuals including: PG&E (Grand Finale Sponsor); Food-4-Less; Nugget; Best Best & Krieger LLP; Elks Lodge; Clark Pacific; Gayle Manufacturing Company; Lawson Property Management and Real Estate; Tom and Meg Stallard; Valley Tire Center; Woodland Chamber of Commerce; Woodland Recreation Foundation; and RDM Audio Visual Rentals.

These events could not be enjoyed by the community without the support and dedication of volunteers such as Maria Contreras-Tebbutt who has been instrumental in organizing the Bike Parade and Family Fun Fest at Freemen Park; the American Legion for conducting the Color and Rifle Guard Ceremony, and Ericka Davis for singing the National Anthem before the fireworks celebration at Woodland High School. Other events in the community made possible through the support of volunteers include the Woodland School's Foundation 5-3-1 Fun Run; the Woodland Professional Firefighter Association's pancake breakfast, and the Woodland Senior Center Computer Club ice-cream social.

Fun Run: Kick off the day with the Woodland Schools Foundation July Fourth 5-3-1 Run! This years event features a one-mile, a 5K (3.1 mile), and five-mile timed run, all starting at Pioneer High School. Visit www.woodlandschoolsfoundation.org <http://www.woodlandschoolsfoundation.org> for more information.

Pancake Breakfast: The Woodland Professional Firefighters Association annual 4th of July Pancake Breakfast will be held at Fire Station #3 (1550 Springlake Court) from 8 am until 11 am. Cost is $5 per person, children five and under are free. Donations are being raised for the Woodland Schools Foundation. Visit www.WPFA4029.org <http://www.WPFA4029.org> for more information.

Bike Parade and Freeman Park Family Fun Fest: The City of Woodland and the Woodland Bike Campaign are proud to host the annual 4th of July Bike Parade & Celebration for kids and adults. This special family-friendly event is growing and the goal is to see 500 bikes roll down Main Street this year. Decorating begins at

9 am at Heritage Plaza (or you may come with your bikes already decorated). Registration for the best decorated bike or scooter is from 9-9:45 am. Prizes for the best decorated bike or scooter will be awarded at Freeman Park after the parade down Main Street. The Main Street Parade of Bikes will begin at 10 am and will ride to Freeman Park where there will be live music performed by New Harmony Jazz. To volunteer to help at this fun event, or for more information contact the Woodland Bike Campaign, Maria Contreras at (530) 753-1125 or funmaria@sbcglobal.net <mailto:funmaria@sbcglobal.net>

Ice-Cream Social: The Woodland Senior Center Computer Club will be hosting its annual ice-cream social from 1 pm - 3 pm at the Woodland Community & Senior Center. Come cool off, enjoy refreshments, and be entertained by dancers and music. Cost is $2.00. Raffles tickets will also be sold.

Swim Fest: A free swim fest will be held from 1 pm - 4 pm at the Charles Brooks Community Swim Center. Come try out the exciting new inflatable obstacle course. Bring your towels and sunscreen.

Fireworks Celebration: The pre-fireworks festivities will begin at 6 pm at Woodland High School. *Please bring chairs or blankets to sit in the grass as no bleacher seating will be available.* A bounce house, obstacle course, Rec2Go (mobile recreation van), games, music, and food will be available. Following a traditional Color and Riffle Guard ceremony conducted by the American Legion and the singing of the National Anthem by Ericka Davis, a spectacular fireworks show is scheduled to begin around 9:30 pm. No personal fireworks, alcohol, glass, or pets are allowed at this event.

Conclusion

Staff recommends that the City Council receive a report on the 4th of July sponsors, volunteers, and activities.

Prepared by: Kris Bain, Community Services Program Manager

Paul Navazio

Paul Navazio, City Manager

Legislation Text

11.

File #: 17-0538, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Consultant Services Agreement for West Woodland Safe Routes to School Improvement Project, CIP 17-09

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. _____, to approve a consultant services agreement with Bennett Engineering Services, in an amount not to exceed $310,000 for the West Woodland Safe Routes to School Improvement Project, CIP 17-09 and authorize the City Manager to execute the agreement.

Staff Contact

Sara Andreotti, Engineering Technician, (530) 661-5951, sara.andreotti@cityofwoodland.org

Fiscal Impact

The approved Capital Budget includes $3,664,000 in funding for the project consisting of $1,592,000 in Active Transportation Program through SACOG grant funding, $1,472,000 in Measure E, $300,000 in water and $300,000 in sewer funds.

There is no impact to the General Fund.

Background

SACOG solicited applications for its Regional Active Transportation Program (ATP) with the release of the 2015 Call for Projects in the Spring of 2015. The City's West Woodland Safe Routes to School Improvement project was selected to receive $1,592,000 from the funding program.

The West Woodland Safe Routes to School Project will improve bicycle and pedestrian access to schools on the west side of Woodland. This includes bike lanes on W. Woodland Ave., California St., sharrows on various corridors to promote the City's Bike Loop and the rehabilitation and restriping of W. Court Street to include narrower travel lanes to accommodate bike lanes.

This project will further completion of the bicycle system by closing gaps in the network on major east-west and north-south corridors. The project includes the specific improvements below:

- Install bicycle lanes on W. Woodland Avenue and California Street.
- Construct ADA corner ramp improvements along W. Woodland Avenue.

- Construct roadway rehabilitation on W. Court Street between West St. and Ashley Ave.
- Install bicycle lanes between Walnut St. and Ashley Ave.
- Construct traffic signal improvements on the W. Court Street corridor to provide bicycle/pedestrian actuation and timing to improve street crossings.
- Stripe Shared Lane Markings ('Sharrows') and bike route signage along the bike route corridors.

Discussion

The City received Statement of Qualifications from consultants in response to the Request for Qualifications advertised in March of 2017. Staff reviewed, scored and ranked the statements received and Bennett Engineering Services was the top rated consultant, among a total of 4 applicants. Staff is currently negotiating the final contract amount with the consultant. However, to avoid any delays in starting the project, staff is requesting that Council approve the consultant agreement in an amount not to exceed $310,000. With this action, staff anticipates executing the contract by June 30 with project design complete and ready for bid by January 2018. This timeline will allow construction to begin as early as summer 2018.

Conclusion

Staff recommends that the City Council adopt Resolution No. _____, to approve a consultant services agreement with Bennett Engineering Services, in an amount not to exceed $310,000 for the West Woodland Safe Routes to School Improvement Project, CIP 17-09 and authorize the City Manager to execute the agreement.

Prepared by: Sara Andreotti, Engineering Technician

Reviewed by: Brent Meyer, City Engineer
Ken Hiatt, Assistant City Manager - Community & Economic Development

Paul Navazio

Paul Navazio, City Manager

ATTACHMENTS:
Attachment A - Resolution

RESOLUTION NO. ___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND TO APPROVE THE CONSULTANT SERVICES AGREEMENT WITH BENNETT FOR THE WEST WOODLAND SAFE ROUTES TO SCHOOL IMPROVEMENT PROJECT CIP 17-09

WHEREAS, the City of Woodland has received a Regional Active Transportation Program (ATP) Funding Grant in the amount of $1,592,000 from the Sacramento Area Council of Governments (SACOG); and

WHEREAS, the project is included the West Woodland Safe Routes to School Improvement Project, CIP 17-09 in the FY 16/17 Capital Budget with a total budget of $3,664,000; and

WHEREAS, the City wishes to enter into and approve the consultant services agreement with Bennett Engineering Services through the adoption of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WOODLAND AS FOLLOWS:

Section 1. The City Council hereby approves the consultant services agreement with Bennett Engineering Services, in the amount not to exceed $310,000for the West Woodland Safe Routes to School Improvement Project, CIP 17-09 and authorize the City Manager to execute the agreement.

PASSED AND ADOPTED this 20th day of June 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Angel Barajas, Mayor
ATTEST:

____
Ana B. Gonzalez, City Clerk

Legislation Text

12.

File #: 17-0541, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Appointment of City Council Representative on the Yolo Sub-Basin Groundwater Agency JPA

Recommendation for Action: Staff recommends that the City Council formally designate the Council member serving as the representative to the Water Resources Association of Yolo County (WRA) as serve concurrently as the city's representative on the newly-formed Yolo Sub-basin Groundwater Agency (YSGA) Board.

Staff Contact

Greg Meyer, Public Works Director
(530) 661-5953, greg.meyer@cityofwoodland.org

Fiscal Impact

There is no fiscal impact.

Discussion

Over the past three years, the WRA has taken the lead on receiving, interpreting, and preparing Yolo County for the impacts of the Sustainable Groundwater Management Act (SGMA). In line with this effort, the current Council assignment to the WRA has included the implementation of SGMA and the subsequent development of a comprehensive Joint Powers Agency that Council agreed to join in the May 16, 2017 meeting. Accordingly, the Council's appointment to the WRA has been working on SGMA and ultimately the YSGA as part of their assignment.

While the WRA will continue to function as a separate association for the near future, they are inseparably linked with the YSGA. It is intended that, ultimately, the two organizations will be united. However, regardless of that happening, the development of the YSGA has created a new responsibility for Woodland's representation on the new Agency Board.

As the work on/for the WRA reduces over time and, with the creation of the agency, and the immediate need for YSGA representation, it seems a logical extension to just add the duties and responsibilities of the YSGA to the current WRA appointment.

Conclusion

Staff recommends that the City Council add Yolo Sub-basin Groundwater Agency (YSGA) Board representation to the duties of the appointed Council Member to the Water Resources Association of Yolo County (WRA).

Prepared by: Gregor G. Meyer, Public Works Director

Paul Navazio, City Manager

City Hall
300 First Street
Woodland, CA 95695

Legislation Text

13.

File #: 17-0543, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Berryessa Snow Mountain National Monument Proclamation

RECOMMENDATION FOR ACTION: Staff recommends that the City Council adopt a resolution reaffirming their support for the designation of Berryessa Snow Mountain as a National Monument.

Paul Navazio, City Manager

Attachment: Proclamation

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND REAFFIRMING SUPPORT FOR DESIGNATION OF BERRYESSA SNOW MOUNTAIN AS A NATIONAL MONUMENT

WHEREAS, The Antiquities Act enacted by Congress in 1906 authorizes the President of the United States to designate as National Monuments any historic landmarks, historic and prehistoric structures and other objects of historic or scientific interest that are located on land owned or controlled by the Federal Government; and

WHEREAS, President of the United States Theodore Roosevelt first used the Antiquities Act in 1906 and 16 former presidents in the last 111 years, of whom 8 were Republicans and 8 were Democrats, have used the Antiquities Act to protect the natural, cultural and historic heritage of the United States; and

WHEREAS, the designation of Berryessa Snow Mountain as a National Monument is a uniquely American idea that celebrates and memorializes our nation's historical, cultural and natural heritage, helps define who we are as Californians and as a nation, and provides additional protections for public lands which are held in trust for all Americans and future generations;and

WHEREAS, Berryessa Snow Mountain has been designated under the Antiquities Act to protect and preserve the cultural, historical and ecological values for the public; and

WHEREAS, Protected federal public lands and waters support thousands of jobs in gateway communities in California and across the country;and

WHEREAS, Studies have shown that local economies surrounding permanently protected areas such as Berryessa Snow Mountain National Monument expands after establishing a monument, increasing per-capita personal incomes; and

WHEREAS, the designation of Berryessa Snow Mountain National Monument will continue to increase tourism and economic development throughout the State; and

WHEREAS, Outdoor recreation generates $85 billion in annual consumer spending and over 730,000 jobs in the State of California and approximately $6.7 billion in state and local tax revenue; and

WHEREAS, Protected federal public lands and waters provide diverse outdoor recreation opportunities for hikers, campers, equestrians, mountain bikers, legal off highway vehicle users, skiers, rock climbers, hunters, anglers, birders, rock collectors, botanists, and others; and

WHEREAS, Protected federal public lands encompass sites, artifacts, and landscapes of great cultural and religious significance to Native Americans such as ancestral villages, burial grounds, lands that supply traditional foods and medicines, and historic trails; and

WHEREAS, Protected federal public lands and waters help maintain healthy ecosystems and preserve invaluable habitat for plants and wildlife, including habitat for sensitive species recognized by the state of California and the United States federal government; and

WHEREAS, Healthy ecosystems provide greater water quality, air quality, and climate resilience and adaptability, which are vital priorities for the state of California; and

WHEREAS, Healthy ecosystems are also vital to healthy communities, and protected outdoor areas provide valuable education and research opportunities for youth and academia, and mental health benefits to communities such as veterans;

WHEREAS, Berryessa Snow Mountain provides world-class hunting and fishing opportunities in the state of California and for Californians nationwide;

WHEREAS, the beneficial use of renewable land, water and wildlife resources is essential to the long-term economy of this State;

WHEREAS, the management of Berryessa Snow Mountain National Monument will be guided by plans developed with input from state, local and tribal governments, members of the public and other stakeholders;

NOW, THEREFORE, BE IT RESOLVED, that the Woodland City Council:

1. Urge President Donald Trump; the Secretary of the United States Department of Interior, Ryan Zinke; and the Secretary of the United States Department of Agriculture, Sonny Perdue to protect the Berryessa Snow Mountain National Monument and the economic, historical, cultural, and ecological, values which they provide for Americans; and honor and protect the integrity of all National Monuments as they have been designated by Presidents since 1906; and

2. The City Clerk transmit copies of this resolution to the President and Vice President of the United States and to the Secretaries of the United States Departments of the Interior and Agriculture.

Dated this 6th day of June, 2017

____

Angel Barajas, Mayor

Enrique Fernandez, Mayor Pro Tempore

Marlin H. “Skip” Davies, Council Member

Xochitl Rodriguez, Council Member

Tom Stallard, Council Member

City Hall
300 First Street
Woodland, CA 95695

Legislation Text

14.

File #: 17-0544, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017
SUBJECT: Waste Management Delinquent Garbage/Refuse Accounts - Call for a Public Hearing

Recommendation for Action: Staff recommends that the City Council set a Public Hearing for July 18, 2017 to hear and approve the list of Delinquent Refuse Accounts and direct the Tax Collector of Yolo County to assess liens against real property to collect delinquent payments.

Staff Contact

Ana B. Gonzalez, City Clerk - (530) 661-5806, ana.gonzalez@cityofwoodland.org

Fiscal Impact

There is little to no fiscal impact to the City to maintain the current process, other than time constraints for processing and releasing the liens. The fees for the recordings are attached to the total amount liened so the property owner assumes that cost.

Report in Brief

This action requests that the City Council set a date for the annual adoption of a Resolution to lien local properties for failure to pay for their Waste Management services.

Staff recommends that the City Council set a Public Hearing for July 5, 2016 to hear and approve the list of Delinquent Refuse Accounts and direct the Tax Collector of Yolo County to assess liens against real property to collect delinquent payments.

Background

In 1989 the City negotiated a new Franchise Agreement for garbage/yard refuse service with Waste Management of Woodland. One of the changes to the prior Agreement was that Waste Management would assume the billing responsibilities for refuse services to Woodland customers. At that time, Waste Management requested, and permission was granted, to file property liens to recover delinquent accounts. Before filing a lien with the County, a Public Hearing needs to be held to allow protests of the proposed liens.

Conclusion

Staff recommends that the City Council set a Public Hearing for July 18, 2017 to hear and approve the list of Delinquent Refuse Accounts and direct the Tax Collector of Yolo County to assess liens against real property to collect delinquent payments.

Prepared by: Ana B. Gonzalez
City Clerk

Paul Navazio, City Manager

Legislation Text

15.

File #: 17-0515, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: PUBLIC HEARING - Gibson Ranch Lighting & Landscaping District

Recommendation for Action: Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and order the levy and collection of the assessment within the Gibson Ranch Lighting and Landscaping District.

Staff Contact

Adam Devlin, Senior Accountant; (530)661-5835 adam.devlin@cityofwoodland.org

Fiscal Impact

The FY2017/18 Engineer's Report includes an inflation factor of 4.089%, which increases the assessment of a single family home from $318.65 in FY2016/17 to $331.68 in FY2017/18; an increase of $13.03. If approved, the proposed assessment for the District would generate $712,748 in revenues. The revenues generated in this District will cover ongoing operating expenditures.

Background

The Landscaping and Lighting Act of 1972 ("the Act") authorizes cities to impose assessments on benefitted properties to finance construction of street landscaping, street lighting, traffic signals, parks, street trees, sidewalk repair, recreational improvements; as well as maintenance and servicing of any of these improvements. In accordance with Act, the City formed the Gibson Ranch L&L District.

The Gibson Ranch L&L is located in the southeast portion of the City, generally south of I5, west of County Road 102 and east of County Road 101. The District was formed in 1995 and reached the maximum allowable assessment of $235.12 per single family home in 2005. The formation documents for the District allow for annual CPI increases without a property owner ballot proceeding.

On May 4, 2017, Council approved resolutions to preliminarily approve the Engineer's Report and to initiate proceedings for the annual levy, which included setting the public hearing date for June 20, 2017. The Engineer's Report was attached to the May 4 staff report and is available for review in the Finance Department.

Discussion

Each year, the City prepares an Annual Report for each District, along with the District estimates for an operating budget, to calculate the assessment annually levied for each parcel. This budget determines what maintenance operations are performed for the fiscal year and directs the County Assessor what to levy each parcel. The complete reports are available for review in the Finance Department.

State regulations require a two-part process to complete the annual levy. The first part of the process requires

Council to take action to initiate proceedings for the levy, preliminarily approve the Engineer's Reports and call for a public hearing; this occurred at the May 4, 2017 Council meeting. The public hearing is required to complete the levy process. Following the public hearing, Council may direct changes to the Engineer's Report or to the levy, but may not increase the levy beyond the maximum approved amount.

Recommendation for Action

Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, to approve the fiscal year 2017/2018 annual levy report and order the levy and collection of the assessment within the Gibson Ranch Lighting and Landscaping District.

Prepared by: Adam Devlin
Senior Accountant

Reviewed by: Kim McKinney
Finance Officer

Paul Navazio, City Manager

Attachment: Resolution

RESOLUTION NO. ___________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND, CALIFORNIA, AMENDING AND/OR APPROVING THE ANNUAL LEVY REPORT AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE GIBSON RANCH LANDSCAPING AND LIGHTING DISTRICT, FISCAL YEAR 2017/2018.

The City Council of the City of Woodland, California (hereafter referred to as the "City Council") does resolve as follows:

WHEREAS, The City Council has, by previous Resolutions, ordered the preparation of the Engineer's Annual Levy Report (hereafter referred to as the "Report") for said district known and designated as: Gibson Ranch Landscaping and Lighting District (hereafter referred to as the "District"), pursuant to the provisions of the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500* (hereafter referred to as the "Act"); and,

WHEREAS, there has now been presented to this City Council the "Final Engineer's Annual Report" as required by *Chapter 3, Section 22623* of said Act, and as previously directed by Resolution; and,

WHEREAS, this City Council has carefully examined and reviewed the Report as presented, and is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the levy has been spread in accordance with the benefits received from the improvements, operation, maintenance and services to be performed, as set forth in said Report; and,

WHEREAS, this City and its legal counsel have reviewed Proposition 218 and found that these assessments comply with applicable provisions of Section XIII D of the California State Constitution; and,

WHEREAS, upon reasonable written notice by Yolo County of any claim or challenge, the City of Woodland agrees to defend with counsel of its choice, indemnify and hold harmless Yolo County, its Board of Supervisors, officers, officials, agents and employees (collectively "the County"), against the payment of any liabilities, losses, costs and expenses, including attorney fees and court costs, not due to the County's own active negligence or willful misconduct, which the County may incur in the exercise and performance of its powers and duties in placing these assessments onto the County roll and tax bills for the City of Woodland; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL FOR THE DISTRICT, AS FOLLOWS:

<u>Section 1</u> Following notice duly given, the City Council has held a full and fair public hearing regarding the District, the levy and collection of assessments, the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters.

<u>Section 2</u> Based upon its review (and amendments, as applicable) of the Report, a copy of which has been presented to the City Council, is hereby approved (as amended), and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection, the City Council hereby finds and determines that:

i) The land within the District will be benefited by the operation, maintenance and servicing of improvements, located within the boundaries of the District, and

ii) District includes all of the lands so benefited, and

iii) The net amount to be assessed upon the lands within the District in accordance with the fee for the Fiscal Year commencing July 1, 2017, and ending June 30, 2018, is apportioned by a formula and method which fairly distributes the net amount among all eligible parcels in proportion to the estimated special benefits to be received by each parcel from the improvements and services.

<u>Section 3</u> The maintenance, operation and servicing of the improvements and appurtenant facilities shall be performed pursuant to the Act. The City Council hereby orders the proposed improvements to be made, which improvements are briefly described as follows: the maintenance and operation of and the furnishing of services and materials for the landscaping improvements, arterial and collector street lighting and landscaping, neighborhood street lighting and trees, parks and recreation facilities, soundwalls, irrigation and drainage systems, and all associated appurtenances.

<u>Section 4</u> The County Auditor of the County of Yolo shall enter on the County Assessment Roll opposite each eligible parcel of land the amount of levy so apportioned by the formula and method outlined in the Report, and such levies shall be collected at the same time and in the same manner as the County taxes are collected, pursuant to *Chapter 4, Article 2, Section 22646* of the Act. After collection by the County, the net amount of the levy shall be paid to the City Treasurer.

<u>Section 5</u> The City Treasurer shall deposit all money representing assessments collected by the County for the District to the credit of a fund for the City of Woodland Gibson Ranch Landscaping and Lighting District and such money shall be expended only for the maintenance, operation and servicing of the improvements as described in Section 3.

<u>Section 6</u> The adoption of this Resolution constitutes the District levy for the Fiscal Year commencing July 1, 2017, and ending June 30, 2018.

<u>Section 7</u> The City Clerk, or their designate, is hereby authorized and directed to file the levy with the County Auditor upon adoption of this Resolution, pursuant to *Chapter 4, Article 1, Section 22641* of the Act.

<u>Section 8</u> That the above recitals are all true and correct. That the City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of and final approval of the Report.

RESOLUTION NO.________________

PASSED, APPROVED, AND ADOPTED THIS _________ day of ___________, 2017.

____
Angel Barajas, Mayor
City of Woodland

____
Ana Gonzalez, City Clerk
City of Woodland

STATE OF CALIFORNIA)

COUNTY OF YOLO) ss.

CITY OF WOODLAND)

I, ________________________, City Clerk of the City of Woodland, County of Yolo, State of California do hereby certify that the foregoing Resolution No. ___________ was regularly adopted by the City Council of said City of Woodland at a regular meeting of said council held on the ________day of ____________, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

____________________________________,
Ana Gonzalez, City Clerk
City of Woodland

Legislation Text

16.

File #: 17-0516, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017
SUBJECT: PUBLIC HEARING - North Park Lighting and Landscaping District

Recommendation for Action: Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and order the levy and collection of the assessment within the North Park Lighting and Landscaping District.

Staff Contact

Adam Devlin, Senior Accountant; (530)661-5835 adam.devlin@cityofwoodland.org

Fiscal Impact

The FY2017/18 Engineer's Report calculates the assessment of a single family home to be $215.40, which is unchanged from FY2016/17. If approved, the proposed assessment for the District would generate $26,710 in revenues, which are sufficient to cover ongoing operating costs.

Background

The Landscaping and Lighting Act of 1972 ("the Act") authorizes cities to impose assessments on benefitted properties to finance construction of street landscaping, street lighting, traffic signals, parks, street trees, sidewalk repair, recreational improvements; as well as maintenance and servicing of any of these improvements. In accordance with Act, the City formed the North Park L&L District.

The North Park L&L is located in the northeast portion of the City, generally north of Kentucky Avenue, west of North West Street and east of County Road 98. The District was formed in 1993 and reached the maximum allowable assessment of $215.40 per single family home in 1997; there are no provisions for future CPI adjustments and any rate increases would require a property owner ballot proceeding.

On May 4, 2017, Council approved resolutions to preliminarily approve the Engineer's Report and to initiate proceedings for the annual levy, which included setting the public hearing date for June 20, 2017. The Engineer's Report was attached to the May 4 staff report and is available for review in the Finance Department.

Discussion

Each year, the City prepares an Annual Report for each District, along with the District estimates for an operating budget, to calculate the assessment annually levied for each parcel. This budget determines what maintenance operations are performed for the fiscal year and directs the County Assessor what to levy each parcel. The complete reports are available for review in the Finance Department.

State regulations require a two part process to complete the annual levy. The first part of the process requires Council to take action to initiate proceedings for the levy, preliminarily approve the Engineer's Reports and call for a public hearing; this occurred at the May 4, 2017 Council meeting. The public hearing is required to complete the levy process. Following the public hearing, Council may direct changes to the Engineer's Report or to the levy, but may not increase the levy beyond the maximum approved amount.

Recommendation for Action

Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, to approve the fiscal year 2017/2018 annual levy report and order the levy and collection of the assessment within the North Park Lighting and Landscaping District.

Prepared by: Adam Devlin
Senior Accountant

Reviewed by: Kim McKinney
Finance Officer

Paul Navazio, City Manager

Attachment: Resolution

RESOLUTION NO. __________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND, CALIFORNIA, AMENDING AND/OR APPROVING THE ANNUAL LEVY REPORT AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE NORTH PARK LIGHTING AND LANDSCAPING DISTRICT, FISCAL YEAR 2017/2018.

The City Council of the City of Woodland, California (hereafter referred to as the "City Council") does resolve as follows:

WHEREAS, The City Council has, by previous Resolutions, ordered the preparation of the Engineer's Annual Levy Report (hereafter referred to as the "Report") for said district known and designated as: North Park Lighting and Landscaping District (hereafter referred to as the "District"), pursuant to the provisions of the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500* (hereafter referred to as the "Act"); and,

WHEREAS, there has been presented to this City Council the "Final Engineer's Annual Levy Report" as required by *Chapter 3, Section 22623* of said Act, and as previously directed by Resolution; and,

WHEREAS, this City Council has carefully examined and reviewed the Report as presented, and is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the levy has been spread in accordance with the special benefits received from the improvements, operation, maintenance and services to be performed, as set forth in said Report; and,

WHEREAS, this City and its legal counsel have reviewed Proposition 218 and found that these assessments comply with applicable provisions of Section XIII D of the California State Constitution; and,

WHEREAS, upon reasonable written notice by Yolo County of any claim or challenge, the City of Woodland agrees to defend with counsel of its choice, indemnify and hold harmless Yolo County, its Board of Supervisors, officers, officials, agents and employees (collectively "the County"), against the payment of any liabilities, losses, costs and expenses, including attorney fees and court costs, not due to the County's own active negligence or willful misconduct, which the County may incur in the exercise and performance of its powers and duties in placing these assessments onto the County roll and tax bills for the City of Woodland; and,

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL FOR THE DISTRICT, AS FOLLOWS:

__Section 1__ Following notice duly given, the City Council has held a full and fair public hearing regarding the District, the levy and collection of assessments, the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters.

__Section 2__ Based upon its review (and amendments, as applicable) of the Report, a copy of which has been presented to the City Council, is hereby approved (as amended), and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection, the City Council hereby finds and determines that:

i) The land within the District will be benefited by the operation, maintenance and servicing of improvements, located within the boundaries of the District.

ii) District includes all of the lands so benefited; and

iii) The net amount to be assessed upon the lands within the District in accordance with the fee for the Fiscal Year commencing July 1, 2017, and ending June 30, 2018, is apportioned by a formula and method which fairly distributes the net amount among all eligible parcels in proportion to the estimated special benefits to be received by each parcel from the improvements and services.

__Section 3__ The maintenance, operation and servicing of the improvements and appurtenant facilities shall be performed pursuant to the Act. The City Council hereby orders the proposed improvements to be made, which improvements are briefly described as follows: the maintenance and operation of and the furnishing of services and materials for the landscaping improvements, street lighting and park lights, park area and park equipment, park perimeter fencing, noise walls, irrigation and drainage systems, and all associated appurtenances.

__Section 4__ The County Auditor of the County of Yolo shall enter on the County Assessment Roll opposite each eligible parcel of land the amount of levy so apportioned by the formula and method outlined in the Report, and such levies shall be collected at the same time and in the same manner as the County taxes are collected, pursuant to *Chapter 4, Article 2, Section 22646* of the Act. After collection by the County, the net amount of the levy shall be paid to the City Treasurer.

__Section 5__ The City Treasurer shall deposit all money representing assessments collected by the County for the District to the credit of a fund for the City of Woodland North Park Lighting and Landscaping District and such money shall be expended only for the maintenance, operation and servicing of the improvements as described in Section 3.

Section 6 The adoption of this Resolution constitutes the District levy for the Fiscal Year commencing July 1, 2017, and ending June 30, 2018.

Section 7 The City Clerk, or their designate, is hereby authorized and directed to file the levy with the County Auditor upon adoption of this Resolution, pursuant to *Chapter 4, Article 1, Section 22641* of the Act.

Section 8 That the above recitals are all true and correct. That the City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of and final approval of the Report.

PASSED, APPROVED, AND ADOPTED THIS _________ day of ___________, 2017.

____
Angel Barajas, Mayor
City of Woodland

____
Ana Gonzalez, City Clerk
City of Woodland

STATE OF CALIFORNIA)

COUNTY OF YOLO) ss.

CITY OF WOODLAND)

I, __________________________, City Clerk of the City of Woodland, County of Yolo, State of California do hereby certify that the foregoing Resolution No. ___________ was regularly adopted by the City Council of said City of Woodland at a regular meeting of said council held on the ________ day of __________, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

____
Ana Gonzalez, City Clerk
City of Woodland

City Hall
300 First Street
Woodland, CA 95695

Legislation Text

17.

File #: 17-0517, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: PUBLIC HEARING - West Wood Lighting and Landscaping District

Recommendation for Action: Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and order the levy and collection of the assessment within the West Wood Lighting and Landscaping District.

Staff Contact

Adam Devlin, Senior Accountant; (530)661-5835, adam.devlin@cityofwoodland.org

Fiscal Impact

The FY2017/18 Engineer's Report proposes to increase the assessment on a single family home, based on an annual inflation factor, from $599.92 in FY16/17 to $620.32 in FY17/18; an increase of $20.40. If approved, the proposed assessment for the District would generate $23,572, which is sufficient to cover ongoing operating costs.

Background

The Landscaping and Lighting Act of 1972 ("the Act") authorizes cities to impose assessments on benefitted properties to finance construction of street landscaping, street lighting, traffic signals, parks, street trees, sidewalk repair, recreational improvements; as well as maintenance and servicing of any of these improvements. In accordance with Act, the City formed the West Wood L&L District.

The West Wood L&L is located in the northeast portion of the City, generally to the north of Kentucky Avenue, south of Quail Drive, east of Dove Drive and west of Mallard Drive. The District was formed in 2004 and is currently being assessed at the maximum allowable rate; however, the District formation report included an annual CPI escalator, which can continue indefinitely.

On May 4, 2017, Council approved resolutions to preliminarily approve the Engineer's Report and to initiate proceedings for the annual levy, which included setting the public hearing date for June 20, 2017. The Engineer's Report was attached to the May 4 staff report and is available for review in the Finance Department.

Discussion

Each year, the City prepares an Annual Report for each District, along with the District estimates for an operating budget, to calculate the assessment annually levied for each parcel. This budget determines what maintenance operations are performed for the fiscal year and directs the County Assessor what to levy each parcel. The complete reports are available for review in the Finance Department.

State regulations require a two part process to complete the annual levy. The first part of the process requires

Council to take action to initiate proceedings for the levy, preliminarily approve the Engineer's Reports and call for a public hearing; this occurred at the May 4, 2017 Council meeting. The public hearing is required to complete the levy process. Following the public hearing, Council may direct changes to the Engineer's Report or to the levy, but may not increase the levy beyond the maximum approved amount.

Conclusion

Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and order the levy and collection of the assessment within the West Wood Lighting and Landscaping District.

Prepared by: Adam Devlin
Senior Accountant

Reviewed by: Kim McKinney
Finance Officer

Paul Navazio, City Manager

Attachment: Resolution

RESOLUTION NO. ________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND, CALIFORNIA, AMENDING AND/OR APPROVING THE ANNUAL LEVY REPORT AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE WEST WOOD UNIT NO. 1 LANDSCAPING AND LIGHTING DISTRICT, FISCAL YEAR 2017/2018.

The City Council of the City of Woodland, California (hereafter referred to as the "City Council") does resolve as follows:

WHEREAS, The City Council has, by previous Resolutions, ordered the preparation of the Engineer's Annual Levy Report (hereafter referred to as the "Report") for said district known and designated as: West Wood Unit No. 1 Landscaping and Lighting District (hereafter referred to as the "District"), pursuant to the provisions of the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500* (hereafter referred to as the "Act"); and,

WHEREAS, there has now been presented to this City Council the "Final Engineer's Annual Report" as required by *Chapter 3, Section 22623* of said Act, and as previously directed by Resolution; and,

WHEREAS, this City Council has carefully examined and reviewed the Report as presented, and is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the levy has been spread in accordance with the benefits received from the improvements, operation, maintenance and services to be performed, as set forth in said Report; and,

WHEREAS, this City and its legal counsel have reviewed Proposition 218 and found that these assessments comply with applicable provisions of Section XIII D of the California State Constitution; and,

WHEREAS, upon reasonable written notice by Yolo County of any claim or challenge, the City of Woodland agrees to defend with counsel of its choice, indemnify and hold harmless Yolo County, its Board of Supervisors, officers, officials, agents and employees (collectively "the County"), against the payment of any liabilities, losses, costs and expenses, including attorney fees and court costs, not due to the County's own active negligence or willful misconduct, which the County may incur in the exercise and performance of its powers and duties in placing these assessments onto the County roll and taxbills for the City of Woodland; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL FOR THE DISTRICT, AS FOLLOWS:

<u>Section 1</u> Following notice duly given, the City Council has held a full and fair public hearing regarding the District, the levy and collection of assessments, the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters.

<u>Section 2</u> Based upon its review (and amendments, as applicable) of the Report, a copy of which has been presented to the City Council, is hereby approved (as amended), and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection, the City Council hereby finds and determines that:

- **i)** The land within the District will be benefited by the operation, maintenance and servicing of improvements, located within the boundaries of the District, and
- **ii)** District includes all of the lands so benefited, and
- **iii)** The net amount to be assessed upon the lands within the District in accordance with the fee for the Fiscal Year commencing July 1, 2017, and ending June 30, 2018, is apportioned by a formula and method which fairly distributes the net amount among all eligible parcels in proportion to the estimated special benefits to be received by each parcel from the improvements and services.

<u>Section 3</u> The maintenance, operation and servicing of the improvements and appurtenant facilities shall be performed pursuant to the Act. The City Council hereby orders the proposed improvements to be made, which improvements are briefly described as follows: the maintenance and operation of and the furnishing of services and materials for the landscaping improvements, Local Street lighting facilities, parks and related equipment replacement, fencing and block walls, storm drainage detention basin, and all associated appurtenances.

<u>Section 4</u> The County Auditor of the County of Yolo shall enter on the County Assessment Roll opposite each eligible parcel of land the amount of levy so apportioned by the formula and method outlined in the Report, and such levies shall be collected at the same time and in the same manner as the County taxes are collected, pursuant to *Chapter 4, Article 2, Section 22646* of the Act. After collection by the County, the net amount of the levy shall be paid to the City Treasurer.

<u>Section 5</u> The City Treasurer shall deposit all money representing assessments collected by the County for the District to the credit of a fund for the City of Woodland West Wood Unit No. 1 Landscaping and Lighting District and such money shall be expended only for the maintenance, operation and servicing of the improvements as described in Section 3.

<u>Section 6</u> The adoption of this Resolution constitutes the District levy for the Fiscal Year commencing July 1, 2017, and ending June 30, 2018.

<u>Section 7</u> The City Clerk, or their designate, is hereby authorized and directed to file the levy with the County Auditor upon adoption of this Resolution, pursuant to *Chapter 4, Article 1, Section 22641* of the Act.

<u>Section 8</u> That the above recitals are all true and correct. That the City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of and final approval of the Report.

RESOLUTION NO.________________

PASSED, APPROVED, AND ADOPTED THIS _________ day of ___________, 2017.

____
Angel Barajas, Mayor
City of Woodland

____
Ana Gonzalez, City Clerk
City of Woodland

STATE OF CALIFORNIA)

COUNTY OF YOLO) ss.

CITY OF WOODLAND)

I, __________________________, City Clerk of the City of Woodland, County of Yolo, State of California do hereby certify that the foregoing Resolution No. ___________ was regularly adopted by the City Council of said City of Woodland at a regular meeting of said council held on the _______ day of __________, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

____
Ana Gonzalez, City Clerk
City of Woodland

18.

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: PUBLIC HEARING - Streng Pond Landscape Maintenance District

Recommendation for Action: Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and order the levy and collection of the assessment within the Streng Pond Landscape Maintenance District.

Staff Contact

Adam Devlin, Senior Accountant; (530)661-5835, adam.devlin@cityofwoodland.org

Fiscal Impact

The FY2017/18 Engineer's Report calculates the assessment of a single family home to be $79.10, which is unchanged from FY2016/17. If approved, the proposed assessment for the District would generate $14,436 in revenues. Streng Pond L&L assessment does not generate enough revenue to meet the minimum operational expenditures required to maintain the L&L. To ensure the ongoing operation and maintenance of the Streng Pond L&L the City will advance $19,628 from the General Fund to offset the shortfall.

Background

The Landscaping and Lighting Act of 1972 ("the Act") authorizes cities to impose assessments on benefitted properties to finance construction of street landscaping, street lighting, traffic signals, parks, street trees, sidewalk repair, recreational improvements; as well as maintenance and servicing of any of these improvements. In accordance with Act, the City formed the Streng Pond Landscape Maintenance District.

The Streng Pond District is located in the southwest portion of the City, generally north of Gibson Road, west of Cottonwood Street and east of County Road 98. The District was formed in 1985 and reached the maximum allowable assessment of $79.10 per single family home in 1995; there are no provisions for future CPI increases. The City attempted a property owner ballot proceeding in 1998 to increase the assessment to cover rising costs within the District, however the effort was unsuccessful. Because the rates do not increase to cover the rising costs of maintenance, a general fund contribution of $19,628 is budgeted to cover the operating shortfall.

On May 4, 2017, Council approved resolutions to preliminarily approve the Engineer's Report and to initiate proceedings for the annual levy, which included setting the public hearing date for June 20, 2017. The Engineer's Report was attached to the May 4 staff report and is available for review in the Finance Department.

Discussion

Each year, the City prepares an Annual Report for each District, along with the District estimates for an operating budget, to calculate the assessment annually levied for each parcel. This budget determines what maintenance operations are performed for the fiscal year and directs the County Assessor what to levy each parcel. The complete reports are available for review in the Finance Department.

State regulations require a two part process to complete the annual levy. The first part of the process requires Council to take action to initiate proceedings for the levy, preliminarily approve the Engineer's Reports and call for a public hearing; this occurred at the May 4, 2017 Council meeting. The public hearing is required to complete the levy process. Following the public hearing, Council may direct changes to the Engineer's Report or to the levy, but may not increase the levy beyond the maximum approved amount.

Conclusion

Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and order the levy and collection of the assessment within the Streng Pond Landscape Maintenance District.

Prepared by: Adam Devlin
Senior Accountant

Reviewed by: Kim McKinney
Finance Officer

Paul Navazio, City Manager

Attachment: Resolution

RESOLUTION NO. __________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND, CALIFORNIA, AMENDING AND/OR APPROVING THE ANNUAL LEVY REPORT AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE STRENG POND LANDSCAPING MAINTENANCE DISTRICT, FISCAL YEAR 2017/2018.

The City Council of the City of Woodland, California (hereafter referred to as the "City Council") does resolve as follows:

WHEREAS, The City Council has, by previous Resolutions, ordered the preparation of the Engineer's Annual Levy Report (hereafter referred to as the "Report") for said district known and designated as: Streng Pond Landscaping Maintenance District (hereafter referred to as the "District"), pursuant to the provisions of the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500* (hereafter referred to as the "Act"); and,

WHEREAS, there has been presented to this City Council the "Final Engineer's Annual Levy Report" as required by *Chapter 3, Section 22623* of said Act, and as previously directed by Resolution; and,

WHEREAS, this City Council has carefully examined and reviewed the Report as presented, and is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the levy has been spread in accordance with the benefits received from the improvements, operation, maintenance and services to be performed, as set forth in said Report; and,

WHEREAS, this City and its legal counsel have reviewed Proposition 218 and found that these assessments comply with applicable provisions of Section XIII D of the California State Constitution; and,

WHEREAS, upon reasonable written notice by Yolo County of any claim or challenge, the City of Woodland agrees to defend with counsel of its choice, indemnify and hold harmless Yolo County, its Board of Supervisors, officers, officials, agents and employees (collectively "the County"), against the payment of any liabilities, losses, costs and expenses, including attorney fees and court costs, not due to the County's own active negligence or willful misconduct, which the County may incur in the exercise and performance of its powers and duties in placing these assessments onto the County roll and tax bills for the City of Woodland; and,

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL FOR THE DISTRICT, AS FOLLOWS:

<u>Section 1</u> Following notice duly given, the City Council has held a full and fair public hearing regarding the District, the levy and collection of assessments, the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters.

<u>Section 2</u> Based upon its review (and amendments, as applicable) of the Report, a copy of which has been presented to the City Council, is hereby approved (as amended), and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection, the City Council hereby finds and determines that:

i) The land within the District will receive special benefit by the operation, maintenance and servicing of improvements, located within the boundaries of the District; and,

ii) The District includes all of the lands so benefited; and,

iii) the net amount to be assessed upon the lands within the District in accordance with the fee for the Fiscal Year commencing July 1, 2017, and ending June 30, 2018, is apportioned by a formula and method which fairly distributes the net amount among all eligible parcels in proportion to the estimated special benefits to be received by each parcel from the improvements and services.

<u>Section 3</u> The maintenance, operation and servicing of the improvements and appurtenant facilities shall be performed pursuant to the Act. The City Council hereby orders the proposed improvements to be made, which improvements are briefly described as follows: the maintenance and operation of and the furnishing of services and materials for ground cover, turf, shrubs, and trees; irrigation and drainage systems and all necessary appurtenances.

<u>Section 4</u> The County Auditor of the County of Yolo shall enter on the County Assessment Roll opposite each eligible parcel of land the amount of levy so apportioned by the formula and method outlined in the Report, and such levies shall be collected at the same time and in the same manner as the County taxes are collected, pursuant to *Chapter 4, Article 2, Section 22646* of the Act. After collection by the County, the net amount of the levy shall be paid to the City Treasurer.

<u>Section 5</u> The City Treasurer shall deposit all money representing assessments collected by the County for the District to the credit of a fund for the City of Woodland Streng Pond Landscaping Maintenance District and such money shall be expended only for the maintenance, operation and servicing of the improvements as described in Section 3.

<u>Section 6</u> The adoption of this Resolution constitutes the District levy for the Fiscal Year commencing July 1, 2017, and ending June 30, 2018.

<u>Section 7</u> The City Clerk, or their designate, is hereby authorized and directed to file the levy with the County Auditor upon adoption of this Resolution, pursuant to *Chapter 4, Article 1, Section 22641* of the Act.

<u>Section 8</u> That the above recitals are all true and correct. That the City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the final approval of the Report.

PASSED, APPROVED, AND ADOPTED THIS _________ day of ___________, 2017.

____
Angel Barajas, Mayor
City of Woodland

____
Ana Gonzalez, City Clerk
City of Woodland

STATE OF CALIFORNIA)

COUNTY OF YOLO) ss.

CITY OF WOODLAND)

I, ________________________, City Clerk of the City of Woodland, County of Yolo, State of California do hereby certify that the foregoing Resolution No. ___________ was regularly adopted by the City Council of said City of Woodland at a regular meeting of said council held on the _______ day of ___________, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

____
Ana Gonzalez, City Clerk
City of Woodland

File #: 17-0519, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: PUBLIC HEARING: Spring Lake Lighting & Landscaping District

Recommendation for Action: Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and Resolution No. _____, ordering the levy and collection of the assessment within the Spring Lake Lighting and Landscaping District.

Staff Contact

Adam Devlin, Senior Accountant; (530)661-5835, adam.devlin@cityofwoodland.org

Fiscal Impact

If approved, the District would generate $1,318,902 in revenues to offset the costs of District maintenance. This represents an increase of $196,307 or 17.49% from the FY2017 assessment. This increase is due primarily to the addition of the 10-acre Rick Gonzales Sr. Park and two acres of Neighborhood Park N1.

The following table shows a comparison, by zoning type, of the maximum assessment, the FY16/17 actual assessment and the proposed FY17/18 assessment:

Zoning	Maximum Levy	FY17/18 Proposed Levy	FY16/17 Levy
SPRING LAKE L&L DISTRICT			
Single Family Developed Residential R3	$ 1,446.71	$ 682.48	$ 617.99
Single Family Developed Residential R4	$ 1,244.24	$ 609.33	$ 540.62
Single Family Developed Residential R5	$ 1,122.75	$ 565.44	$ 494.20
Single Family Developed Residential R8	$ 940.52	$ 499.61	$ 424.58
Single Family Developed Residential R15	$ 615.10	$ 351.77	$ 297.46
Single Family Developed Residential R20	$ 574.60	n/a	n/a
Single Family Developed Residential R25	$ 550.31	$ 328.36	$ 272.70
Neighborhood Commercial Per Acre	$ 14,914.86	$ 3,388.33	$ 3,640.73

Background

The Landscaping and Lighting Act of 1972 (“the Act”) authorizes cities to impose assessments on benefitted properties to finance construction of street landscaping, street lighting, traffic signals, parks, street trees, sidewalk repair, recreational improvements; as well as maintenance and servicing of any of these improvements. In accordance with Act, the City formed the Spring Lake L&L District.

The Spring Lake L&L consists of all property located in the Spring Lake Specific Plan area, which is located in the southeast portion of the City, generally bounded to the north by Gibson Road, to the east by County Road

102, to the south by County Road 25A and generally to the west by County Road 101. There is a portion of the District immediately north of the extension of County Road 24A that extends west of State Highway 113.

On May 16, 2017, Council approved resolutions preliminarily approving the Engineer's Report and initiating proceedings for the annual levy, which included setting the public hearing date. The Engineer's Report was attached to the May 16 staff report and is available for review in the Finance Department.

Discussion

Each year, the City prepares an Annual Report for each District, along with the District estimates for an operating budget, to calculate the assessment annually levied for each parcel. This budget determines what maintenance operations are performed for the fiscal year and directs the County Assessor what to levy each parcel. The complete reports are available for review in the Finance Department.

State regulations require a two part process to complete the annual levy. The first part of the process requires Council to take action to initiate proceedings for the levy, preliminarily approve the Engineer's Reports and call for a public hearing; this occurred at the May 16, 2017 Council meeting. Tonight's public hearing is required to complete the levy process.

Following the public hearing, Council may direct changes to the Engineer's Report or to the levy, but may not increase the levy beyond the maximum approved amount.

Conclusion

Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and Resolution No. _____, ordering the levy and collection of the assessment within the Spring Lake Lighting and Landscaping District.

Prepared by: Adam Devlin
Senior Accountant

Reviewed by: Kim McKinney
Finance Officer

Paul Navazio, City Manager

Attachment

RESOLUTION NO: ___________

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND, CALIFORNIA, AMENDING AND/OR APPROVING THE FISCAL YEAR 2017/2018 ENGINEER'S REPORT REGARDING THE SPRING LAKE LANDSCAPING AND LIGHTING DISTRICT

WHEREAS, the City Council, pursuant to the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500* (the "Act"), did by previous Resolution order the Assessment Engineer, Koppel & Gruber Public Finance, to prepare and file the 2017/2018 Engineer's Report for the "**Spring Lake Landscaping and Lighting District**" (the "District"); and,

WHEREAS, the Assessment Engineer has prepared and filed with the City Clerk of the City of Woodland, California and the City Clerk has presented to the City Council such report entitled "**City of Woodland Spring Lake Landscaping and Lighting District Fiscal Year 2017/2018 Engineer's Report**" (the "Report") as required by the Act; and,

WHEREAS, the City Council has carefully examined and reviewed the Report as presented, considered all oral and written comments presented with respect to the District and Report at a noticed Public Hearing and has discussed any necessary or desired modifications to the Report, and is satisfied that the levy for each parcel has been calculated in accordance with the special benefits received from the operation, maintenance and services performed, as set forth in the Report.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL OF THE CITY OF WOODLAND, THE LEGISLATIVE BODY FOR SAID DISTRICT, AS FOLLOWS:

Section 1 The preceding recitals are true and correct.

Section 2 The Report as presented or as modified, contains the following:

a. A Description of Improvements.

b. A Diagram of the District.

c. The Method of Apportionment that details the method of calculating each parcel's proportional special benefits and annual assessment.

d. The 2017/2018 Assessment based upon Method of Apportionment as approved by the property owners pursuant to the provision of the California Constitution Article XIIID Section 4.

e. An "Assessment Range Formula" for calculating annual inflationary adjustments to the initial "Maximum Assessment" (Adjusted Maximum Levy per benefit unit), also approved by the property owners.

f. The 2017/2018 Annual Budget (Costs and Expenses) and the resulting 2017/2018 assessment (Levy per benefit unit) for Fiscal Year 2017/2018.

g. The Assessment Roll containing the Levy for each Assessor Parcel Number within the District for Fiscal Year 2017/2018.

<u>Section 3</u> The City Clerk is hereby directed to enter on the minutes of the City Council any and all modifications to the Report determined and approved by the City Council, and all such changes and/or modifications by reference are to be incorporated into the Report.

<u>Section 4</u> The City Council is satisfied with the Report as presented or modified, each and all of the budget items and documents as set forth therein, and is satisfied that the Fiscal Year 2017/2018 annual assessments contained therein are consistent with the assessments approved by the property owners and spread in accordance with the special benefits received from the improvements pursuant to the provisions of the California Constitution Article XIIID.

<u>Section 5</u> The Report is hereby approved as submitted or modified and ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

<u>Section 6</u> The City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation and approval of the Report as submitted or modified.

RESOLUTION NO: __________

PASSED, APPROVED, AND ADOPTED THIS _____ DAY OF _____________, 2017.

STATE OF CALIFORNIA
COUNTY OF YOLO ss.
CITY OF WOODLAND

I, ____________________________, City Clerk of the City of Woodland, County of Yolo, State of California do hereby certify that the foregoing Resolution No. __________ was regularly adopted by the City Council of said City of Woodland at a regular meeting of said council held on the _________ day of _____________, 2017, by the following vote:

AYES:	Council members:	___________________________
NOES:	Council members:	___________________________
ABSENT:	Council members:	___________________________
ABSTAIN:	Council members:	___________________________

____
Mayor, Angel Barajas

Attest:

_________________________________,
City Clerk, Ana Gonzalez

RESOLUTION NO: __________

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND, CALIFORNIA ORDERING THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS REGARDING THE SPRING LAKE LANDSCAPING AND LIGHTING DISTRICT FOR FISCAL YEAR 2017/2018

WHEREAS, the City Council, has by previous Resolutions initiated proceedings to form, and declared its intention to levy and collect annual assessments against parcels of land within the "**Spring Lake Landscaping and Lighting District**" (the "District") for the fiscal year commencing July 1, 2017 and ending June, 30 2018 pursuant to the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500* (the "Act") to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto; and,

WHEREAS, Koppel & Gruber Public Finance, the Assessment Engineer selected by the City Council has prepared and filed with the City Clerk and the City Clerk has presented to the City Council the Engineer's Report entitled "**City of Woodland Spring Lake Landscaping and Lighting District Fiscal Year 2017/2018 Engineer's Report**" (the "Report"),in connection with the proposed levy and collection of special benefit assessments upon eligible parcels of land within the District, and the City Council did by previous Resolution approve such Report; and,

WHEREAS, the City Council desires to levy and collect assessments against parcels of land within the District for the Fiscal Year commencing July 1, 2017 and ending June 30, 2018, to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto; and,

WHEREAS, the City Council following notice duly given, has held a full and fair Public Hearing on June 20, 2017, regarding the levy and collection of assessments as described in the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters, pursuant to the Act and in accordance with the provisions of the California Constitution Article XIIID.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL OF THE CITY OF WOODLAND, THE LEGISLATIVE BODY FOR SAID DISTRICT, AS FOLLOWS:

Section 1 The preceding recitals are true and correct.

Section 2 Following notice duly given, the City Council has held a full and fair public hearing regarding the levy and collection of the assessments, the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters.

Section 3 The City Council desires to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2017 and ending June 30, 2018, to pay the costs and expenses of operating, maintaining and servicing the landscaping, lighting, drainage and appurtenant facilities located within public places in the District.

Section 4 The City Council has carefully reviewed and examined the Report in connection with the District, and the levy and collection of assessments. Based upon its review the Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, hereby finds that the City Council determines that:

a. The territory of land within District will receive special benefits from the operation, maintenance and servicing of the landscaping, lighting, drainage and appurtenant facilities and improvements related thereto.

b. The District includes all of the lands so benefited; and

c. The amount to be assessed upon the lands within the District, in accordance with the proposed budget for the fiscal year commencing July 1, 2017 and ending June 30, 2018 is apportioned by a formula and method which fairly distributes the net amount among all eligible parcels in proportion to the special benefits, to be received by each parcel from the improvements and services, and is satisfied that the assessments are levied, without regard to property valuation.

Section 5 The Report and Fiscal Year 2017/2018 assessments, as presented to the City Council and on file in the office of the City Clerk, are hereby confirmed as filed.

Section 6 The City Council hereby orders the proposed improvements to be made; the improvements are briefly described as the operation, administration, maintenance and servicing of all public landscaping and lighting improvements, drainage and appurtenant facilities and expenses associated with the District, and that will be maintained by the City of Woodland or their designee and all such maintenance, operation and servicing of the landscaping and lighting, drainage and all appurtenant facilities shall be performed pursuant to the Act. A more complete description of the improvements is detailed in the Report and by reference this document is made part of this resolution.

Section 7 The Yolo County Auditor shall place on the County Tax Roll, opposite each parcel of land, the amount of levy so apportioned by the method of apportionment formula, outlined in the Engineer's Report, and such levies shall be collected at the same time and in the same manner as county taxes are collected pursuant to *Chapter 4, Article 2, Section 22646 of the Act.* After collection by the County, the net amount of the assessments, after deduction of any compensation due the county for collection, shall be paid to the City Treasurer.

Section 8 The Finance Officer, shall deposit all money from the assessments collected by the County for the District into a fund for the Spring Lake Landscaping and Lighting District, and such money shall be expended to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto described above.

Section 9 The adoption of this Resolution constitutes the Authorization of the District levy for the Fiscal Year commencing July 1, 2017 and ending June 30, 2018.

Section 10 The City Clerk's designee, Koppel & Gruber Public Finance, is hereby authorized and directed to file the levy with the Yolo County Auditor subsequent to the adoption of this Resolution.

RESOLUTION NO: __________

PASSED, APPROVED, AND ADOPTED THIS ______ DAY OF _______________, 2017.

STATE OF CALIFORNIA
COUNTY OF YOLO ss.
CITY OF WOODLAND

I, _________________________________, City Clerk of the City of Woodland, County of Yolo, State of California do hereby certify that the foregoing Resolution No. ___________ was regularly adopted by the City Council of said City of Woodland at a regular meeting of said council held on the __________ day of _______________, 2017, by the following vote:

AYES:	Council members:	________________________________
NOES:	Council members:	________________________________
ABSENT:	Council members:	________________________________
ABSTAIN:	Council members:	________________________________

____
Mayor, Angel Barajas

Attest:

_______________________________________,
City Clerk, Ana Gonzalez

City of Woodland

Legislation Text

20.

File #: 17-0520, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: PUBLIC HEARING: Gateway Landscaping & Lighting District

Recommendation for Action: Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and Resolution No. _____, ordering the levy and collection of the assessment within the Gateway Lighting and Landscaping District.

Staff Contact

Adam Devlin, Senior Accountant; (530)661-5835, adam.devlin@cityofwoodland.org

Fiscal Impact

If approved, the District would generate $149,087 in revenues to offset the costs of District maintenance, which is 13% greater than the FY 2016/17 assessment. The actual levy for FY2017/18 is about 75% of the maximum allowable assessment; this is due primarily to the fact that the landscaping in the I5/102 interchange has not been installed and therefore maintenance of this landscaping is not included in the calculation of the actual assessment.

The following table shows a comparison of the maximum assessment, the FY 2016/2017 actual assessment and the proposed FY 2017/2018 assessment:

Zoning	Maximum Levy	FY17/18 Proposed Levy	FY16/17 Levy
GATEWAY L&L DISTRICT			
Per Acre	$ 3,853.77	$ 2,892.65	$ 2,546.76

Background

The Landscaping and Lighting Act of 1972 ("the Act") authorizes cities to impose assessments on benefitted properties to finance construction of street landscaping, street lighting, traffic signals, parks, street trees, sidewalk repair, recreational improvements; as well as maintenance and servicing of any of these improvements. In accordance with Act, the City formed the Gateway L&L District.

The Gateway L&L is located in the southeast portion of the City, generally bounded to the north by Interstate 5, to the east by County Road 102, to the south by Bronze Star Drive and generally to the west by the City boundaries.

On May 16, 2017, Council approved resolutions to preliminarily approve the Engineer's Report and to initiate proceedings for the annual levy, which included setting the public hearing date. The Engineer's Report was attached to the May 16 staff report and is available for review in the Finance Department.

Discussion

Each year, the City prepares an Annual Report for each District, along with the District estimates for an operating budget, to calculate the assessment annually levied for each parcel. This budget determines what maintenance operations are performed for the fiscal year and directs the County Assessor what to levy each parcel. The complete reports are available for review in the Finance Department.

State regulations require a two-part process to complete the annual levy. The first part of the process requires Council to take action to initiate proceedings for the levy, preliminarily approve the Engineer's Reports and call for a public hearing; this occurred at the May 16, 2017 Council meeting. Tonight's public hearing is required to complete the levy process.

Following the public hearing, Council may direct changes to the Engineer's Report or to the levy, but may not increase the levy beyond the maximum approved amount.

Conclusion

Staff recommends that the City Council (1) conduct a public hearing and (2) adopt Resolution No. _____, approving the fiscal year 2017/2018 annual levy report and Resolution No. _____, ordering the levy and collection of the assessment within the Gateway Lighting and Landscaping District.

Prepared by: Adam Devlin
Senior Accountant

Reviewed by: Kim McKinney
Finance Officer

Paul Navazio, City Manager

Attachment

RESOLUTION NO: __________

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND, CALIFORNIA, AMENDING AND/OR APPROVING THE FISCAL YEAR 2017/2018 ENGINEER'S REPORT REGARDING THE GATEWAY LANDSCAPING AND LIGHTING DISTRICT

WHEREAS, the City Council, pursuant to the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500* (the "Act"), did by previous Resolution order the Assessment Engineer, Koppel & Gruber Public Finance, to prepare and file the 2017/2018 Engineer's Report for the "**Gateway Landscaping and Lighting District**" (the "District"); and,

WHEREAS, the Assessment Engineer has prepared and filed with the City Clerk of the City of Woodland, California and the City Clerk has presented to the City Council such report entitled "**City of Woodland Gateway Landscaping and Lighting District Fiscal Year 2017/2018 Engineer's Report**" (the "Report") as required by the Act; and,

WHEREAS, the City Council has carefully examined and reviewed the Report as presented, considered all oral and written comments presented with respect to the District and Report at a noticed Public Hearing and has discussed any necessary or desired modifications to the Report, and is satisfied that the levy for each parcel has been calculated in accordance with the special benefits received from the operation, maintenance and services performed, as set forth in the Report.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL OF THE CITY OF WOODLAND, THE LEGISLATIVE BODY FOR SAID DISTRICT, AS FOLLOWS:

Section 1 The preceding recitals are true and correct.

Section 2 The Report as presented or as modified, contains the following:

- **a.** A Description of Improvements.
- **b.** A Diagram of the District.
- **c.** The Method of Apportionment that details the method of calculating each parcel's proportional special benefits and annual assessment.
- **d.** The 2017/2018 Assessment based upon Method of Apportionment as approved by the property owners pursuant to the provision of the California Constitution Article XIIID Section 4.
- **e.** An "Assessment Range Formula" for calculating annual inflationary adjustments to the initial "Maximum Assessment" (Adjusted Maximum Levy per benefit unit), also approved by the property owners.

f. The 2017/2018 Annual Budget (Costs and Expenses) and the resulting 2017/2018 assessment (Levy per benefit unit) for Fiscal Year 2017/2018.

g. The Assessment Roll containing the Levy for each Assessor Parcel Number within the District for Fiscal Year 2017/2018.

Section 3 The City Clerk is hereby directed to enter on the minutes of the City Council any and all modifications to the Report determined and approved by the City Council, and all such changes and/or modifications by reference are to be incorporated into the Report.

Section 4 The City Council is satisfied with the Report as presented or modified, each and all of the budget items and documents as set forth therein, and is satisfied that the Fiscal Year 2017/2018 annual assessments contained therein are consistent with the assessments approved by the property owners and spread in accordance with the special benefits received from the improvements pursuant to the provisions of the California Constitution Article XIIID.

Section 5 The Report is hereby approved as submitted or modified and ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

Section 6 The City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation and approval of the Report as submitted or modified.

PASSED, APPROVED, AND ADOPTED THIS ______ DAY OF _______________, 2017.

STATE OF CALIFORNIA
COUNTY OF YOLO ss.
CITY OF WOODLAND

I, ________________________________, City Clerk of the City of Woodland, County of Yolo, State of California do hereby certify that the foregoing Resolution No. ___________ was regularly adopted by the City Council of said City of Woodland at a regular meeting of said council held on the __________ day of _______________, 2017, by the following vote:

AYES:	Council members:	________________________________
NOES:	Council members:	________________________________
ABSENT:	Council members:	________________________________
ABSTAIN:	Council members:	________________________________

____
Mayor, Angel Barajas

Attest:

______________________________________,
City Clerk, Ana Gonzalez

RESOLUTION NO: ___________

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND, CALIFORNIA ORDERING THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS REGARDING THE GATEWAY LANDSCAPING AND LIGHTING DISTRICT FOR FISCAL YEAR 2017/2018

WHEREAS, the City Council, has by previous Resolutions initiated proceedings to form, and declared its intention to levy and collect annual assessments against parcels of land within the "**Gateway Landscaping and Lighting District**" (the "District") for the fiscal year commencing July 1, 2017 and ending June, 30 2018 pursuant to the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500* (the "Act") to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto; and,

WHEREAS, Koppel & Gruber Public Finance, the Assessment Engineer selected by the City Council has prepared and filed with the City Clerk and the City Clerk has presented to the City Council the Engineer's Report entitled "**City of Woodland Gateway Landscaping and Lighting District Fiscal Year 2017/2018 Engineer's Report**" (the "Report"), in connection with the proposed levy and collection of special benefit assessments upon eligible parcels of land within the District, and the City Council did by previous Resolution approve such Report; and,

WHEREAS, the City Council desires to levy and collect assessments against parcels of land within the District for the Fiscal Year commencing July 1, 2017 and ending June 30, 2018, to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto; and,

WHEREAS, the City Council following notice duly given, has held a full and fair Public Hearing on June 20, 2017, regarding the levy and collection of assessments as described in the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters, pursuant to the Act and in accordance with the provisions of the California Constitution Article XIIID.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL OF THE CITY OF WOODLAND, THE LEGISLATIVE BODY FOR SAID DISTRICT, AS FOLLOWS:

Section 1 The preceding recitals are true and correct.

Section 2 Following notice duly given, the City Council has held a full and fair public hearing regarding the levy and collection of the assessments, the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters.

<u>Section 3</u> The City Council desires to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2017 and ending June 30, 2018, to pay the costs and expenses of operating, maintaining and servicing the landscaping, lighting, storm drainage and appurtenant facilities located within public places in the District.

<u>Section 4</u> The City Council has carefully reviewed and examined the Report in connection with the District, and the levy and collection of assessments. Based upon its review the Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, hereby finds that the City Council determines that:

a. The territory of land within District will receive special benefits from the operation, maintenance and servicing of the landscaping, lighting, drainage and appurtenant facilities and improvements related thereto.

b. The District includes all of the lands so benefited; and

c. The amount to be assessed upon the lands within the District, in accordance with the proposed budget for the fiscal year commencing July 1, 2017 and ending June 30, 2018 is apportioned by a formula and method which fairly distributes the net amount among all eligible parcels in proportion to the special benefits, to be received by each parcel from the improvements and services, and is satisfied that the assessments are levied, without regard to property valuation.

<u>Section 5</u> The Report and Fiscal Year 2017/2018 assessments, as presented to the City Council and on file in the office of the City Clerk, are hereby confirmed as filed.

<u>Section 6</u> The City Council hereby orders the proposed improvements to be made; the improvements are briefly described as the operation, administration, maintenance and servicing of all public landscaping and lighting improvements, storm drainage and appurtenant facilities and expenses associated with the District, and that will be maintained by the City of Woodland or their designee and all such maintenance, operation and servicing of the landscaping and lighting, drainage and all appurtenant facilities shall be performed pursuant to the Act. A more complete description of the improvements is detailed in the Report and by reference this document is made part of this resolution.

<u>Section 7</u> The Yolo County Auditor shall place on the County Tax Roll, opposite each parcel of land, the amount of levy so apportioned by the method of apportionment formula, outlined in the Engineer's Report, and such levies shall be collected at the same time and in the same manner as county taxes are collected pursuant to *Chapter 4, Article 2, Section 22646 of the Act.* After collection by the County, the net amount of the assessments, after deduction of any compensation due the county for collection, shall be paid to the City Treasurer.

Section 8 The Finance Officer, shall deposit all money from the assessments collected by the County for the District into a fund for the Gateway Landscaping and Lighting District, and such money shall be expended to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto described above.

Section 9 The adoption of this Resolution constitutes the Authorization of the District levy for the Fiscal Year commencing July 1, 2017 and ending June 30, 2018.

Section 10 The City Clerk’s designee, Koppel & Gruber Public Finance, is hereby authorized and directed to file the levy with the Yolo County Auditor subsequent to the adoption of this Resolution.

RESOLUTION NO: __________

PASSED, APPROVED, AND ADOPTED THIS ______ DAY OF ______________, 2017.

STATE OF CALIFORNIA
COUNTY OF YOLO ss.
CITY OF WOODLAND

I, ______________________________, City Clerk of the City of Woodland, County of Yolo, State of California do hereby certify that the foregoing Resolution No. ___________ was regularly adopted by the City Council of said City of Woodland at a regular meeting of said council held on the __________ day of ______________, 2017, by the following vote:

AYES:	Council members:	______________________________
NOES:	Council members:	______________________________
ABSENT:	Council members:	______________________________
ABSTAIN:	Council members:	______________________________

____
Mayor, Angel Barajas

Attest:

____________________________________,
City Clerk, Ana Gonzalez

Legislation Text

21.

File #: 17-0527, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: PUBLIC HEARING: Public Hearing for and Adoption of Substantial Amendment to Fiscal Year 2016/17 Community Development Block Grant Action Plan

Recommendation for Action: Staff recommends that the City Council take the following actions:

1. Hold a public hearing to receive community input on the proposed FY 2016/17 Community Development Block Grant (CDBG) Action Plan Amendment; and
2. Adopt Resolution No.______, approving Amendment #1 to the FY 2016/17 CDBG Action Plan with the funding allocations as recommended by staff; and
3. Direct staff to complete the necessary paperwork to process Amendment #1 to FY 2016/17 Action Plan, as well as any other related documents required by the U.S. Department of Housing and Urban Development (HUD), incorporating the adopted funding allocations along with any public input received during the public comment period ending on June 20, 2017; and
4. Direct staff to forward the completed Amendment #1 and related documents to HUD once completed; and
5. Authorize the City Manager to execute any agreements, contracts or related/required documents with the appropriate entities to carry out the CDBG funding activities; and
6. Authorize the Finance Officer to make the budget allocations as specified.

These Actions are consistent with the CDBG Consolidated Plan goal of assisting low- and moderate- income persons.

Staff Contact

Dan Sokolow, Senior Planner - (530) 661-5927, dan.sokolow@cityofwoodland.org

Fiscal Impact

The CDBG funds, a cumulative amount of $113,306, will be provided from funds remaining from previously funded and completed CDBG activities and a cancelled activity. The funds are included in the existing FY 2016/17 CDBG budget appropriation of $988,196.

Background

The City of Woodland receives CDBG funds annually from the U.S. Department of Housing and Urban

Development (HUD). CDBG funds must be used for activities that meet at least one of three national objectives: (1) benefit to low- and moderate-income persons, (2) aid in the prevention or elimination of slums or blight, or (3) meet a need having a particular urgency. On occasion, a completed CDBG construction activity does not utilize its full funding allocation or an activity is cancelled. The City has CDBG construction funds available from completed activities and an activity that was cancelled. As a result, staff is purposing that a portion of the available funds be re-programmed to the activities included in the following table.

Table 1:
FY 2016/17 Substantial Amendment Budget
CDBG Re-Programmed Funds

Activity	Funding
Walter's House HVAC Replacement (Friends of the Mission)	16,829
Cooling Towers for PCU and Manors (St. John's Retirement Village)	45,097
Re-Roof/Heat Pump Capital Project (Empower Yolo)	8,400
925 North Street HVAC (Friends of the Mission)	42,980
TOTAL	**$113,306**

Discussion

Staff recommends that four activities receive funds through the Action Plan Amendment. Three of the four activities (Walter's House HVAC Replacement, St. John's Retirement Village's Cooling Towers for PCU and Manors, and Empower Yolo's Re-Roof/Heat Pump Capital Project) received FY 2016/17 CDBG Action Plan funding allocations. Friends of the Mission submitted an application for the fourth activity (925 North Street HVAC), but the activity did not receive an allocation because of the funding limitations for FY 2016/17. Descriptions of the Action Plan Amendment activities are provided below.

Walter's House HVAC Replacement - Walter's House is located at 285 Fourth Street in Woodland and operates a 44-bed transitional housing homeless shelter, serving very low-income homeless men and women who are undergoing residential substance use treatment. On an annual basis, the facility serves more than 500 individuals and this contributes to a high use of the HVAC system that is now in need of replacement. The FY 2016/17 Action Plan funded the replacement at $50,000 and the Action Plan Amendment would increase the funding by $16,829 for a total allocation of $66,829.

Cooling Towers for PCU and Manors - Two existing cooling towers are used at St. John's personal care unit and manors housing to provide environmental responsible water treatment solutions by taking rejected heat from the atmosphere such as in pollution and heat waste, and turning it into clean air and energy. Both towers are in need of replacement. The FY 2016/17 Action Plan included $45,302 in funding to replace one of the towers. The Action Plan Amendment would increase the funding by $45,097 for a total allocation of $90,399.

Re-Roof/Heat Pump Capital Project - Empower Yolo's Woodland office is located in a building more than 100-years-old. A portion of the roof leaks and the existing heat pump needs to be replaced. The FY 2016/17 Action Plan provided $13,600 in funding for this activity. Because of uncertainty over the extent of the roof damage and potential dry rot damage, additional funds are needed. The Action Plan Amendment would increase the funding by $8,400 for a total allocation of $22,000.

925 North Street - The seven-unit apartment complex at 925 North Street provides affordable housing for formerly homeless families and individuals. Friends of the Mission submitted a CDBG application for the FY 2016/17 program year to replace the existing HVAC units, which are at the end of their useful life, but the application was not funded. The Action Plan Amendment would fund this activity at $42,980.

Public Contact

A notice of public hearing and proposed CDBG Action Plan Amendment was advertised in the Woodland Daily Democrat on May 20, 2017. Copies of the Action Plan Amendment were made available at the Community Services Department (Woodland Community and Senior Center, 2001 East Street), the Community Development Department (City Hall, 300 First Street), and through the City's website. The 30-day comment period for the Action Plan Amendment ended on June 20, 2017. No public comments had been submitted at the time the staff report was prepared. Any public input received will be incorporated in the Action Plan Amendment. This item was also posted to the City Council agenda.

Conclusion

Staff recommends that the City Council take the following actions:
1. Hold a public hearing to receive community input on the proposed FY 2016/17 Community Development Block Grant (CDBG) Action Plan Amendment; and
2. Adopt Resolution No._, approving Amendment #1 to the FY 2016/17 CDBG Action Plan with the funding allocations as recommended by staff; and
3. Direct staff to complete the necessary paperwork to process Amendment #1 to FY 2016/17 Action Plan, as well as any other related documents required by the U.S. Department of Housing and Urban Development (HUD), incorporating the adopted funding allocations along with any public input received during the public comment period ending on June 20, 2017; and
4. Direct staff to forward the completed Amendment #1 and related documents to HUD once completed; and
5. Authorize the City Manager to execute any agreements, contracts or related/required documents with the appropriate entities to carry out the CDBG funding activities; and
6. Authorize the Finance Officer to make the budget allocations as specified.

These Actions are consistent with the CDBG Consolidated Plan goal of assisting low- and moderate- income persons.

Prepared by: Dan Sokolow
Senior Planner

Reviewed by: Christine Engel
CSD Director

Paul Navazio, City Manager

Attachments:

1. Council Resolution No.
2. Substantial Amendment to FY 2016/17 CDBG Action Plan

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND TO APPROVE THE SUBSTANTIAL AMENDMENT TO THE FISCAL YEAR 2016/17 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ACTION PLAN

WHEREAS, the City of Woodland ("City") has received program income Community Development Block Grant (CDBG) Funds subject to the Department of Housing and Urban Development (HUD) regulations;

WHEREAS, HUD regulations require that a grantee's citizen participation plan must specify what program changes constitute a "substantial" amendment to the Action Plan and what procedure will be used to amend the plan. Based on the 2007-2008 Citizen Participation Plan, this amendment constitutes a "substantial" amendment because it funds an activity not included in the FY 2016/17 Action Plan and increases the funding for three activities funded in the Action Plan by more than 25 percent; and

WHEREAS, the Substantial Amendment was made available to the public for a 30-day public comment period and public input has been incorporated into the Substantial Amendment.

NOW, THEREFORE, BE IT RESOLVED, as follows:

Section1: This City Council hereby finds and determines that the foregoing recitals are true and correct.

Section 2: This City Council hereby approves the Substantial Amendment to the FY 2016/17 CDBG Annual Action Plan with the funding allocations as recommended by staff.

Section 3: This City Council hereby directs staff

(a) to complete the Substantial Amendment to the FY 2016/17 Action Plan, as well as any other items required by the U.S Department of Housing and Urban Development (HUD), incorporating the adopted funding allocations along with any public input received during the public comment period; and

(b) to forward the completed Substantial Amendment to HUD.

Section 4: This City Council hereby authorizes

(a) the City Manager to execute any agreements, contracts or other documents with the appropriate entities to carry out the CDBG Funded activities; and

(b) authorizes the Finance Officer to make the budget allocations as specified.

Section 5: This Resolution shall take effect from and after the date of its passage and adoption.

PASSED, APPROVED AND ADOPTED this 20th day of June, 2017 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Angel Barajas, Mayor

ATTEST:

____
Ana Gonzalez, City Clerk

APPROVED AS TO FORM:

____
Kara K. Ueda, City Attorney

CITY OF WOODLAND
ACTION PLAN: Fiscal Year 2016/17
AMENDMENT #1

Introduction
On June 21, 2016, the City of Woodland adopted the FY 2016/17 Action Plan covering the period of July 1, 2016 through June 30, 2017. The City's Action Plan was approved by the U.S. Department of Housing and Urban Development on September 1, 2016. The Action Plan is a planning document required by HUD for localities receiving federal Community Development Block Grant (CDBG) and other formula grant program funds. The Action Plan outlines specific projects and activities that the City will carry out during the July 1, 2016 through June 30, 2017 fiscal year.

HUD regulations require that a grantee's citizen participation plan must specify what program changes constitute a "substantial" amendment to the Action Plan and what procedure will be used to amend the plan. Based on the 2007-2008 Citizen Participation Plan, this amendment constitutes a "substantial" amendment because it funds an activity not included in the FY 2016/17 Action Plan and increases the funding for three activities funded in the FY 2016/17 Action Plan by more than 25 percent.

The Amendment was noticed in the Woodland Daily Democrat on May 20, 2017. The public comment period extends until June 19, 2017 to comply with the City's 30-day review period identified in the Citizen Participation Plan.

Proposed Amendment #1 to the Fiscal Year 2016/17 CDBG Action Plan

The following budget adjustments have been made to the 2016/17 Action Plan through the reallocation of existing CDBG funds. These funds became available after the completion of construction activities that did not fully utilize their funding allocations and when a construction activity was canceled. The reallocated funds are distributed to three activities already funded in the FY 2016/17 Action Plan and a fourth activity that was considered but not funded in the Action Plan.

1) Activity: Walter's House HVAC Replacement
   Agency: Friends of the Mission
   Funding Amount: $16,829

Description – Walter's House is located at 285 Fourth Street in Woodland and operates a 44-bed transitional housing homeless shelter, serving very low-income homeless men and women who are undergoing residential substance use treatment. On an annual basis, the facility serves more than 500 individuals and this contributes to a high use of the HVAC system that is now in need of replacement. The FY 2016/17 Action Plan funded the replacement at $50,000 and the Action Plan Amendment would increase the funding by $16,829 for $66,829 in total funding.

2) Activity: Cooling Towers for PCU and Manors
   Agency: St. John's Retirement Village
   Funding Amount: $45,097

Description – Two existing cooling towers are used at St. John's personal care unit and manors housing to provide environmental responsible water treatment solutions by taking rejected heat from the atmosphere such as in pollution and heat waste, and turning it into clean air and energy. Both towers are in need of replacement. The FY 2016/17 Action Plan included $45,302 in funding to replace one of the towers. The Action Plan Amendment would increase the funding by $45,097 for $90,399 in total funding.

3) Activity: Reroof/Heat Pump Capital Project
   Agency: Empower Yolo
   Funding Amount: $8,400

Description – Empower Yolo's Woodland office is located in a building more than 100-years-old. A portion of the roof leaks and the existing heat pump needs to be replaced. The FY 2016/17 Action Plan provided $13,600 in funding for this activity. Because of uncertainty over the extent of the roof damage and potential dry rot damage, additional funds will be needed. The Action Plan Amendment would increase the funding by $8,400 for $22,000 in total funding.

4) Activity: 925 North Street HVAC
   Agency: Friends of the Mission
   Funding Amount: $42,980

Description – The seven-unit apartment complex at 925 North Street provides affordable housing for formerly homeless families and individuals. Friends of the Mission submitted a CDBG application for the FY 2016/17 program year to replace the existing HVAC units, which are at the end of their useful life, but the application was not funded. The Action Plan Amendment would fund this activity at $42,980.

Legislation Text

22.

File #: 17-0546, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Approval of Loan Commitment for Mutual Housing California's Phase 2 Multi-Family Project

Recommendation for Action: Staff recommends that the City Council take the following actions:

(1) Adopt Resolution No. _____, approving a 57-year term residual receipts loan with Mutual Housing California (Mutual) in the amount of $1,500,000 with three percent (3%) simple interest for Mutual's Phase 2 multi-family project (39 farmworker units) at the southeast corner of Pioneer Avenue and Farmers Central Road and funding of the loan through the Spring Lake Affordable Housing and Affordable Housing In-Lieu Fee funds;

(2) Approve disbursement of $1,200,000 in loan proceeds to occur through completion of project construction which is estimated to occur in February 2020; and

(3) Authorize disbursement of the remaining $300,000 in loan proceeds, contingent upon Mutual satisfying a five-year performance guarantee for funding (estimated to occur in 2025).

(4) The City loan commitment is to be valid for the 2017 Round 2 tax credit application. If Mutual does not receive a tax credit award during Round 2, Mutual would be required to submit a new loan subsidy request to in order to obtain City assistance.

Staff Contact

Dan Sokolow, Senior Planner - (530) 661-5927, dan.sokolow@cityofwoodland.org

Fiscal Impact

The proposed loan would be funded through existing and future revenues from the City's Spring Lake Affordable Housing and Affordable Housing In-Lieu Fee funds. The City collects a fee of $1,100 for each market-rate single-family unit constructed in Spring Lake in order to provide 74 additional affordable units in Spring Lake. The fees known as Off-Site Fees are collected prior to final map approval and deposited into the Spring Lake Affordable Housing Fund. The fund balance was $757,452 as of June 13. Separately, the City will be collecting affordable housing in-lieu fees from certain projects located in Spring Lake and a project located outside of Spring Lake. In most instances, the in-lieu fees are collected at building permit issuance. The City has started to receive affordable housing in-lieu fees from the Cal West development ("The Grove").

To date, the Cal West builder, Lennar Homes, has pulled 20 building permits, resulting in the payment of $50,667 in affordable housing in-lieu fees.

Based on the current fund balances ($757,452 in Spring Lake Affordable Housing Fund and $50,667 in Affordable Housing In-Lieu Fee Fund for a total amount of $808,119), the City would need $691,881 in additional funds to fund the $1,500,000 loan.

The following table provides estimates on affordable housing revenues the City expects to generate through November 2019. A second table details affordable housing revenues from five residential projects in Woodland. Data from the first table is included in the second table.

Spring Lake Off-Site and Affordable Housing In-Lieu Fees Revenues
(estimated through November 2019)

	Revenue Description	Amount	Date Received
1	**Spring Lake Off-Site Fees**	757,452	Current funds available
2	**Affordable Housing In-Lieu Fees**	50,667	Current funds available
3	**Cal West Phase 1 - In-Lieu Fees** (Builder - Lennar, remaining 54 lots for Phase 1, payment made at BP issuance)	136,800	May 2017 - Aug 2018
4	**Cal West Phase 2 - Off-Site Fees** (Payment made at final map for 67 lots)	73,700	Sep 2017
5	**Cal West Phase 2 - In-Lieu Fees**	169,734	Jul 2018 - Nov 2019
6	**Spring Lake Central Phase 5 - Off-Site Fees** (Builder - DR Horton, 77 lots)	84,700	Dec 2017
7	**Spring Lake Central Phases 1 & 2 - Off-Site Fees** (Builder - Taylor Morrison, 170 lots)	187,000	Feb 2018
8	**Cal West Phase 3 - Off-Site Fees** (49 lots)	53,900	Sep 2019
	TOTAL	**$1,513,953**	

Revenues from Spring Lake Off-Site and Affordable Housing In-Lieu Fees

	Revenue Description	Amount	Notes
1	**Spring Lake Off-Site Fees**	757,452	Current funds available.
2	**Affordable Housing In-Lieu Fees**	50,667	Current funds available.
3	**Cal West - Off-Site Fees** (Payment for remaining 3 phases of 4-phase project. Payment at final map.)	166,100	
4	**Cal West - Affordable Housing In-Lieu Fees** (Payment for remaining 205 lots of 225-lot project. Payment at building permit.)	519,335	
5	**Spring Lake Central - Off-Site Fees** (Payment for 375 lots. Payment at final map, project phased.)	412,500	
6	**Spring Lake Central - Affordable Housing In-Lieu Fees** (Payment for 375 lots. Payment at building permit, project phased.)	1,590,000	
7	**Oyang North - Off-Site Fees** (Payment for 112 lots. Payment at final map.)	123,200	
8	**Oyang North - Affordable Housing In-Lieu Fees** (Developer providing multi-family site to satisfy affordable obligation.	-206,400	In-lieu fee credit will be applied to Oyang South in-lieu fee obligation.
9	**Oyang South - Off Site Fees** (Payment for 250 lots, payment at final map.)	275,000	
10	**Oyang South - Affordable Housing In-Lieu Fees** (Payment for 250 lots, payment at building permit.)	1,445,000	
11	**Prudler - Affordable Housing In-Lieu Fees** (Portion of fees, $425,000, paid at first final map and remainder paid at building permit.)	1,098,200	Prudler located outside of Spring Lake. As a result, no off-site fees.
	TOTAL REVENUES	**$6,231,054**	

A portion of the loan, $1,200,000, would be disbursed to Mutual between the start and completion of the construction. This is estimated to occur by February 2020. In the event that the City does not have sufficient funds from the Spring Lake Off-Site and Affordable Housing In-Lieu fees to disburse $1,200,000 by the estimated date of February 2020, the City would need to come up with other sources to disburse the loan funds. The remaining $300,000 in loan funds would act as a performance guarantee and would be disbursed five years after the construction completion, contingent on Mutual completing project construction and successfully operating the project for a period of five years (estimated disbursement in 2025).

Permitting of the Phase 2 project will result in the payment of more than $1,800,000 in development impact fees, Spring Lake Infrastructure Fees, and building permit fees.

Background

On July 20, 2010, the City Council approved up to $910,000 in loan assistance for Phase 1 of Mutual's Spring Lake project and a $350,000 predevelopment loan. The Planning Commission approved Mutual's site plan and design review on July 21, 2011. Subsequently, Mutual decided to phase the project. The predevelopment loan was paid off when Mutual closed on its construction financing for Phase 1 (61 farmworker units and 1 manager's unit) in December 2013. At that time, the City disbursed a 57-year term residual receipts loan of $910,000 with three percent (3%) simple interest. Construction of Phase 1 was completed in early 2015 and occupancy started shortly thereafter. A tentative parcel map to divide Mutual's 5.14-acre project site into two parcels and minor design modifications for Phase 2 (39 farmworker units) were approved by the Planning Commission on April 6, 2017. Similar to Phase 1, the units constructed for Phase 2 will be zero net energy.

Mutual's loan request of $1,500,000 equates to a City subsidy of $38,463 per unit for Phase 2. For Phase 1, which was completed in 2015, the City's loan of $910,000 result in a City subsidy of $14,677 per unit. Combining Phases 1 and 2 generates a City subsidy of $23,861 per unit based on aggregate City loans of $2,410,000. A summary of the Phase 1, Phase 2, and combined projects is provided in the following table.

Project	**Local Funding, per unit basis**	**State Funding, per unit basis**	**Other Funding, per unit basis**	**Type of Project**	**Number of Units**
Mutual Housing Phase 1 (completed project)	$910,000 $14,677/unit	$979,825 $15,804/unit HCD Serna	$5,500,000 $88,710/unit USDA RD	Farmworker housing, new construction	62
Mutual Housing Phase 2 (proposed project)	$1,500,000 $38,463/unit		$3,000,000 $76,923/unit USDA RD	Farmworker housing, new construction	39
Mutual Housing Phases 1 and 2 (combined projects)	$2,410,000 $23,861/unit	$979,825 $9,701/unit	$8,500,000 $84,158/unit USDA RD	Farmworker housing, new construction	101

Discussion

Mutual has submitted a request for a residual receipts loan in the amount of $1,500,000 for a 57-year term with three percent (3%) simple interest for its Phase 2 project. With the residual receipts component, loan repayment could start prior to the 57-year period if the project's operational cash flows are sufficient. The loan would be secured by the property and improvements located at the site. While the City may receive residual receipts payments, it is unlikely that Mutual will fully repay the loan. However, as long as the City's loan is on the project, the City is able to ensure the property will remain affordable beyond the 57-year term and able to monitor the project to confirm it continues to be used for low-income households.

A loan agreement, promissory note, deed of trust, affordable housing regulatory agreement, and performance guarantee would be executed for the loan. The City Council will be asked to review and approve the loan documents prior to execution. No loan disbursements would occur until Mutual has (1) secured its tax credit financing and (2) obtained any other financing necessary for the project. Mutual has already secured a $3,000,000 loan and ongoing rental assistance from the U.S. Department of Agriculture (USDA)

Mutual will submit a tax credit application to the California Tax Credit Application Committee (TCAC) at the end of this month. Phase 2 construction would start in spring 2018 if TCAC awards tax credits. The City loan commitment only applies to a tax credit application this year and Mutual would need to obtain a new City loan commitment for a subsequent tax credit application. Phase 2 will result in the construction 39 farmworker units: 4 extremely low income units at 30% area median income (AMI), 11 very low income units at 40% AMI, 15 very low income units at 50% AMI, and 9 low income units at 60% AMI.

Based on information provided by Mutual staff and research by City staff, a minimum of five 9% percent tax credit applications including Mutual's Phase 2 will be submitted to TCAC this month for our region, the Capital and Northern Region. The region covers an eight-county area: Butte, El Dorado, Placer, Sacramento, Shasta, Sutter, Yuba, and Yolo counties. Mutual's project will compete against at least four other 9% projects from the region. TCAC solicits tax credit applications twice each year. Two 9% applications were submitted from our region for TCAC's 2017 Round 1; however, neither project was funded. TCAC used a portion of the 9% credits available for our region to fund a project on the waiting list. As a result, there were insufficient funds remaining to fund one of the two applications. The remaining funds from Round 1 have been rolled into Round 2 and it is expected that the total amount of credits available for our region will allow two projects to be funded.

The tiebreaker score plays a critical role in the tax credit competition. Because the tax credit applications submitted typically score the maximum points available through TCAC's points system, a tiebreaker is used to determine the tax credit awards. Generally, the tiebreaker score is the ratio of other public funding to total development costs. For Mutual Phase 2, other public funding includes a City of Woodland loan and the ongoing rental assistance from USDA. In order for the Phase 2 tax credit application to be minimally competitive on the tiebreaker score, the City loan needs to be no less than $1,500,000.

A City loan of $1,500,000 does not guarantee an award of tax credits as there is uncertainty on how Mutual's project would compete on the tiebreaker score with at least two of the other tax credit applications expected to be submitted from our region this month for Round 2. A regulation change taking effect next year will lessen the value of rental assistance as "other public funding" for purposes of determining the tiebreaker score for tax credit applications. If Mutual is not awarded tax credits this year, it will need to bolster its other public funding support and/or make other changes in order to be competitive for a subsequent tax credit competition.

A $1,500,000 loan commitment will exhaust the City's currently available affordable housing project funds (Spring Lake Affordable Housing and Affordable Housing In-Lieu Fee funds) and encumber additional future funds. As other affordable housing projects in Spring Lake and elsewhere in the community come forward for gap loan assistance, the City may be delayed in providing the funding assistance. While there are a number of bills pending in the state legislature to provide additional resources for affordable housing including a new state housing bond, their success is far from certain.

Public Contact

Posting of the City Council agenda.

Conclusion

Staff recommends that the City Council take the following actions:

(1) Adopt Resolution No._, approving a 57-year term residual receipts loan with Mutual Housing California (Mutual) in the amount of $1,500,000 with three percent (3%) simple interest for Mutual's Phase 2 multi-family project (39 farmworker units) at the southeast corner of Pioneer Avenue and Farmers Central Road and funding of the loan through the Spring Lake Affordable Housing and Affordable Housing In-Lieu Fee funds;

(2) Approve disbursement of $1,200,000 in loan proceeds to occur through completion of project construction which is estimated to occur in February 2020; and

(3) Authorize disbursement of the remaining $300,000 in loan proceeds, contingent upon Mutual satisfying a five-year performance guarantee for funding (estimated to occur in 2025).

(4) The City loan commitment is valid for the 2017 Round 2 tax credit application. If Mutual does not receive a tax credit award during Round 2, Mutual would be required to submit a new loan subsidy request to in order to obtain City assistance.

Prepared by: Dan Sokolow
Senior Planner

Reviewed by: Christine Engel
CDD Director

Paul Navazio, City Manager

Attachment: Resolution

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND APPROVING A $1,500,000 LOAN COMMITMENT FROM THE SPRING LAKE OFFSITE AFFORDABLE HOUSING AND AFFORDABLE HOUSING IN-LIEU FEE FUNDS TO ASSIST MUTUAL HOUSING CALIFORNIA IN THE PHASE 2 CONSTRUCTION OF ITS 39-UNIT MULTI-FAMILY PROJECT AT THE SOUTHEAST CORNER OF PIONEER AVENUE AND FARMERS CENTRAL ROAD

WHEREAS, the City of Woodland assisted Mutual Housing California (Mutual) with construction of the first phase of its multi-family project (61 farmworker units and 1 manager's unit) by providing $350,000 pre-development and $910,000 57-year term residual receipts loans; and

WHEREAS, Mutual plans to submit an application to the California Tax Credit Allocation Committee in June 2017 to obtain tax credits to assist with construction of its Phase 2 project and a successful application will allow Mutual to start construction of the 39 farmworker units in Spring 2018; and

WHEREAS, Mutual has requested that the City provide a $1,500,000, 57-year term residual receipts loan with an interest rate of three percent (3%) simple interest; and

NOW THEREFORE BE IT RESOLVED, that the City of Woodland approves a loan commitment of $1,500,000 a 57-year term residual receipts loan with three percent (3%) simple interest for Mutual Housing California's 39-unit Phase 2 multi-family project at the southeast corner of Pioneer Avenue and Farmers Central Road with funding of the loan through the Spring Lake Offsite Affordable Housing and Affordable Housing In-Lieu Fee funds subject to the conditions that no loan disbursements will occur until Mutual has (1) secured its tax credit financing and (2) obtained any other financing necessary for the project. The City loan commitment only applies to a tax credit application submitted by Mutual this year and a new City loan commitment is required if Mutual submits a tax credit application for a subsequent year.

PASSED AND ADOPTED this 20th day of June, 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Angel Barajas, Mayor

ATTEST:

____
Ana B. Gonzalez, City Clerk

APPROVED AS TO FORM:

____
Kara K. Ueda, City Attorney

File #: 17-0529, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Status Report - Update of the Downtown Parking Management Plan

Recommendation for Action: Staff recommends that the City Council:

1) Receive a presentation that describes the latest findings on the status of public parking Downtown and recommendations to balance current and future parking supply and demand; and
2) Provide direction to Staff on initial recommendations to be included in Downtown Parking Master Plan prior to returning to City Council for final approval this Fall: and
3) Introduce and waive first reading of the attached Ordinance amending the City's Parking Ordinance (Municipal Code Chapter 14, Article VII) to add 20 minute, 3-hour, 4-hour parking time zones to the City's Ordinance.

Staff Contact

Stephen Coyle, Deputy Community Planning Director, (530) 661-5910, Stephen.coyle@cityofwoodland.org

Fiscal Impact

All costs associated with the recommendations presented in this report will be covered within the proposed FY 17-18 budget. Staff estimates a cost of $15,000-$20,000 to restripe the parallel parking on the west side of 2nd Street from Main Street to Lincoln Street with diagonal parking. This improvement will be funded out of the Downtown Improvement funds.

Background

This past December, the City initiated the development of a Parking Management Plan to address ongoing concerns over a range of Downtown parking and access conditions. Staff's investigations ranged from extensive site investigation of parking conditions at different days and time periods to multiple staff interviews with local businesses and others on their parking concerns and ideas for improvements. The findings include the following:

- Despite the perception of inadequate parking, the current supply of parking Downtown within a five-minute walk of a motorist's destination usually exceeds parking demands during peak periods.

- However, motorist's willingness to park and walk is constrained in places by insufficient shade, narrow sidewalks, and after sundown, inadequate sidewalk lighting.

- Businesses expressed concerns that the current supply of public parking will be insufficient when the cinema opens and other new developments emerge.

- Some employees occupy parking spaces that businesses depend on for their customers.

- Inadequate way-finding signage limit visitors' ability to find public parking lots.

- Excessive motor vehicle speeds on Main Street reduces pedestrian and vehicle safety, and impedes motorists' visibility of business storefronts.

- Many private parking lots Downtown are under-utilized during periods when other private lots are full.

- The City's current minimum off-street parking standards constrain redevelopment and infill.

Discussion

In response to the concerns and issues described above, the Parking Management Plan's scope of work consisted of tasks and processes necessary to investigate, document, and analyze the associated conditions, and develop a set of potential strategies and programs to address each both individually and synergistically:

- Context: The physical conditions that either support or constrain the efficient and effective use of parking resources for and access to all users within the Downtown.

- Perceptions: With respect to parking, the opinions, concerns and suggestions from businesses and those visiting, shopping, living and working in the Downtown.

- Supply: A quantification and qualification of Downtown on-street and public parking lot spaces.

- Demand: The current and future demand for public parking Downtown including the factors that drive demand and parking trends such as the impact of autonomous vehicles.

- Utilization: The occupancy of on-street and public parking lots during regular and peak hourly periods - noon to 1:00 PM and 7:00 PM to 8:00 PM, weekdays and weekends - a measure of parking usage and indicator of driver locational preferences.

- Assessment: Evaluating the contextual conditions, perceptions, supply, demand and utilization investigations, and their impact on the formulation of recommended strategies.

- Strategies, Constraints, and Recommendations: Proposed parking management policies, programs and measures that could improve the safety, convenience, comfort and efficiency of the Downtown for motorists, bicyclists, pedestrians, and transit riders. The recommended actions can be completed incrementally with prioritization.

Preliminary Recommendations:

Staff will provide the City Council with a presentation summarizing the findings of the assessment and outlining the strategies and measures that can be taken to improve the parking and overall user experience Downtown. The preliminary recommendations are as follows:

A) Replace parallel parking on the west side of 2nd Street from Main Street to Lincoln Street with diagonal parking restriping to add more spaces.

B) Adjust traffic light timing along Main Street from Fifth Street to Elm Street to reduce traffic speeds to less than 25 mph.

C) Modify public on-street and lot parking time durations to better accommodate varying business and customer parking needs including:
- Addition of 3 to 4-hour parking in Lot 10 to serve the theater and other long-term customers,
- Extension of 2-hour parking on First Street between Bush and Lincoln
- Add additional 20 or 30-minute parking spaces in the downtown to serve shorter-term customer and business needs.

D) Develop funding strategies and pursue grants to achieve the widening of narrow sidewalks that constrain safe and comfortable walking.

E) Collaborate with the Chamber of Commerce and the Historic Downtown Woodland Group to find innovative ways to improve areas of inadequate street and parking lot lighting Downtown to increase safety and security for motorists, bicyclists and pedestrians; to improve tree canopy coverage where necessary to increase the beauty and shade; and to develop a shared parking plan that matches vacancies in private lots with surplus demand from employees and other longer term parkers.

F) Develop a Downtown way-finding signage plan and program that includes directions to public parking, as part of the Downtown Specific Plan Update.

The benefits associated with the City Council's approval of staff's initial recommendations include the addition of parking close to Main Street, reduction in travel speeds to improve ease of parking, visibility of Main Street businesses, and pedestrian safety, improving safety and sense of security through an increase in street and parking lot lighting, and developing new way finding and parking signage to improve the image and function of the Downtown. These recommended actions are proposed as initial measures and will be integrated into the final Downtown Parking Management Plan anticipated to be completed by this Fall. Staff will provide updates to Council as these initial measures are implemented.

Conclusion

Staff recommends that the City Council:

1) Receive a presentation that describes the latest findings on the status of public parking Downtown and recommendations to balance current and future parking supply and demand; and

2) Provide direction to Staff on initial recommendations to be included in Downtown Parking Master Plan prior to returning to City Council for final approval this Fall; and

3) Introduce and waive first reading of the attached Ordinance amending the City's Parking Ordinance (Municipal Code Chapter 14, Article VII) to add 20 minute, 3-hour, 4-hour parking time zones to the City's Ordinance.

Prepared by: Stephen Coyle, Deputy Community Planning Director

Reviewed by: Ken Hiatt, Assistant City Manager - Community & Economic Development

Paul Navazio, City Manager

ATTACHMENTS:

1. Presentation (to be provided at Council Meeting)
2. Proposed Amendment to City's Parking Ordinance

ORDNANCE NO. ________

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WOODLAND AMENDING SECTION 14-7-1 OF AND ADDING SECTION 14-7-8 TO THE CITY OF WOODLAND MUNICIPAL CODE RELATED TO STOPPING, STANDING, OR PARKING RESTRICTIONS AND ESTABLISHING ADDITIONAL DOWNTOWN PARKING TIME ZONES IN THE CITY OF WOODLAND

WHEREAS, the City of Woodland currently has a parking ordinance, Chapter 14, Article VII, which establishes and regulates the Stopping, Standing, or Parking Restricted or Prohibited on Certain Streets; and

WHEREAS, the City Council now desires to amend Section 14-7-1 and add new section 14-7-8 to the Municipal Code to add new parking time zones that allow 20 minute, and three and four hour parking time zones; and

WHEREAS, the City of Woodland desires to better and more precisely manage parking spaces to meet the needs of Downtown residents, businesses, shoppers, and tourists; and

WHEREAS, the City of Woodland does not have an adequate range of parking time limit options to meet the growing and varied demands in the Downtown desired in order to bring visitors and activity to enliven the Downtown, and to generally promote and encourage economic development in the Downtown; and

WHEREAS, the proposed amendments and additions to the Municipal Code will support the goals and purpose of the 2035 General Plan and Downtown Specific Plan.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WOODLAND DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Authority. The City of Woodland may adopt this ordinance pursuant to the general police power granted to cities by Article 11, Section 7 of the California Constitution. California Vehicle Code Section 22507 authorizes the City by resolution or ordinance to establish Parking Zones covering streets, public rights-of-way, and publicly-controlled off-street Parking Facilities.

Section 2. Findings.

1. The Ordinance is consistent with the goals and policies of the General Plan and shall provide a sufficient amount of convenient, safe and attractive parking ;and

2. The Ordinance is consistent with the goals and strategies contained in the City's Draft Downtown Parking Management Plan and will provide a tool for the City to more effectively manage the use of parking resources in Downtown Woodland so that adequate supply is available for residents, retail patrons, businesses, government, and visitors; and

3. The Ordinance will implement policies and standards contained in the Downtown Specific Plan.

Section 3. Amendment. Section 14-7-1 of Chapter 14 of the City of Woodland Municipal Code is hereby amended to read as follows:

Sec 14-7-1. – **Twenty and** Thirty-minute parking.

When official signs or curb markings have been placed by the traffic engineer to prohibit stopping, standing or parking a vehicle in a certain place for any time longer than **twenty or** thirty minutes, between the hours of 8:00 AM and 5:00 PM of any day except Saturday, Sunday or any holiday**, as** set forth in Chapter 1 of this code, it is unlawful for an operator of a vehicle to stop, stand or park his **or her** vehicle in violation thereof.

Section 4. Addition to Municipal Code. Section 14-7-8 of Chapter 14 is hereby added to the City of Woodland Municipal Code to read as follows:

Sec 14-7-8. – Three or Four-hour parking.

When official signs or curb markings have been placed by the traffic engineer to prohibit stopping, standing or parking a vehicle in a certain place for any time longer than three or four hours, between the hours of 8:00 AM and 5:00 PM of any day except Saturday, Sunday or any holiday, as set forth in Chapter 1 of this code, it is unlawful for an operator of a vehicle to stop, stand or park his or her vehicle in violation thereof.

Section 5. CEQA Finding. The City Council hereby finds that it can be seen with certainty that there is no possibility that the adoption of this Ordinance will have a significant effect on the environment because the Ordinance will maintain current levels of development provided for in the General Plan EIR and Downtown Specific Plan. It is therefore exempt from any California Environmental Quality Act (CEQA) review pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

Section 6. Certification and Publication. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published once in an adjudicated newspaper in the City of Woodland.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Woodland City Council this ___ day of July, 2017.

____
Angel Barajas, Mayor

ATTEST:

____
Ana B. Gonzalez, City Clerk

Approved as to Form

____
Kara K. Ueda
City Attorney

Legislation Text

24.

File #: 17-0535, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Consultant Services Agreement for W. Main Street Bicycle/Pedestrian Mobility & Safety Improvement Project, CIP 17-16

Recommendation for Action: Staff recommends that the City Council 1) adopt Resolution No. _____, approving a consultant services agreement with Mark Thomas, in an amount not to exceed $650,000 for the W. Main Street Bicycle/Pedestrian Mobility & Safety Improvement Project, CIP 17-16 and authorize the City Manager to execute the agreement and amendments, as necessary, and 2) Receive a presentation regarding upcoming transportation projects.

Staff Contact

Clara Olmedo, Associate Engineer, (530) 661-5824, clara.olmedo@cityofwoodland.org

Fiscal Impact

The approved Capital Budget includes $5,589,500 in funding for the project consisting of $3,742,500 in Sacramento Area Council of Governments (SACOG) grant funding, $1,247,000 in Measure E match funding, $300,000 in Water funding and $300,000 in Sewer funding.

There is no impact to the General Fund.

Background

SACOG solicited applications for its Regional Flexible Funding Program with the release of the 2015 Call for Projects. The City's W. Main Street Bicycle/Pedestrian Mobility & Safety Improvement project was selected to receive $3,742,500 from the Funding Grant Program.

The W. Main Street segment primarily zoned commercial and serves many businesses. The corridor has poor pavement conditions with significant cracking and in many areas has failed. The lack of continuous sidewalks and bike lanes through the corridor leaves gaps in the City's bicycle and pedestrian network and many of the intersections do not meet current ADA standards.

The project will improve the one-mile corridor that is W. Main Street. This project was defined through an iterative process based upon recurring requests from residents to improve the condition of the pavement, from bicycle and pedestrian advocates to implement bike lanes, complete missing sidewalks and slow traffic vehicle speeds. In addition, business owners requested attention be given to the poor condition of the corridor between Ashley Avenue and Cottonwood Street where the exposed storm drainage ditch causes hazard for travelers on the roadway, especially cyclists. The project will rehabilitate the pavement and restripe narrower travel lanes to slow traffic and accommodate on-street bike lanes, install drainage improvements, upgrade traffic signals to include bicycle and pedestrian actuation and provide ADA compliant curb ramps.

Discussion

The City received Statements of Qualifications from consultants in response to the Request for Qualifications advertised in March of 2017. Staff reviewed, scored and ranked the statements received and Mark Thomas was the top rated consultant, among a total of 3 applicants. Staff is currently negotiating the final contract amount with the consultant; however, to avoid any delays in starting the project, staff is requesting that Council approve the consultant agreement in an amount not to exceed $650,000. With this action, staff anticipates executing the contract by June 30, project design complete and ready for bid by January 2018. This timeline will allow the project construction to begin by summer 2018.

Staff will also be making a presentation regarding upcoming transportation projects.

Conclusion

Staff recommends that the City Council 1) adopt Resolution No. _____, approving a consultant services agreement with Mark Thomas, in an amount not to exceed $650,000 for the W. Main Street Bicycle/Pedestrian Mobility & Safety Improvement Project, CIP 17-16 and authorize the City Manager to execute the agreement and amendments, as necessary, and 2) Receive a presentation regarding upcoming transportation projects.

Prepared by: Clara Olmedo, Associate Engineer

Reviewed by: Brent Meyer, City Engineer
Ken Hiatt, Assistant City Manager - Community & Economic Development

Paul Navazio, City Manager

ATTACHMENTS:
Attachment A - Resolution

RESOLUTION NO. ______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND TO APPROVE THE CONSULTANT SERVICES AGREEMENT WITH MARK THOMAS FOR THE W. MAIN STREET BICYCLE/PEDESTRIAN MOBILITY AND SAFETY IMPROVEMENT PROJECT, CIP 17-16

WHEREAS, the City of Woodland has received a Regional Flexible Spending Funding Grant in the amount of $3,742,500 from the Sacramento Area Council of Governments (SACOG); and

WHEREAS, the project is included the W. Main Street Bicycle/Pedestrian Mobility and Safety Improvement Project, CIP 17-16 in the FY 16/17 Capital Budget with a total budget of $5,073,500; and

WHEREAS, the City wishes to enter into and approve the consultant services agreement with Mark Thomas through the adoption of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WOODLAND AS FOLLOWS:

Section 1. The City Council hereby approves the consultant services agreement with Mark Thomas, in the amount not to exceed $645,000 for the W. Main Street Bicycle/Pedestrian Mobility and Safety Improvement Project, CIP 17-16 and authorize the City Manager to execute the agreement and amendments as necessary.

PASSED AND ADOPTED this 20th day of June 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Angel Barajas, Mayor
ATTEST:

____
Ana B. Gonzalez, City Clerk

Legislation Text

25.

File #: 17-0533, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Approve Modifications to the Utility Assistance Program

Recommendation for Action: Staff recommends that the City Council modify the Utility Assistance Program to provide a subsidy of $40/month for up to12 months in a fiscal year.

Staff Contact

Kim McKinney, Finance Officer - (530) 661-5849, kimberly.mckinney@cityofwoodland.org

Fiscal Impact

The Utility Assistance Program (UAP) is funded with Measure J revenue. The budget for FY2017/18 includes $225,000 of funding for the program; an increase of $100,000 over the FY2016/17 allocation. The recommended changes to the program, along with the additional funding, will allow for expanded participation in the community.

Background

Proposition 218 prohibits the subsidy of any utility (water/sewer) rates from being financed by any funds collected through established utility rates; other discretionary funding sources must be identified to provide subsidies. A need for an assistance program was identified in 2009 with the adoption of new water rates. The assistance program has not had consistent funding available early on, program participation has varied widely, and therefore there have been several versions of a UAP over the years.

The first assistance program was funded through Community Development Block Grant (CDBG) funds. This program provided $15/month for up to three consecutive months within a 12-month period for qualifying applicants. The three-month participation limit was a requirement of CDBG. Participation in this program was low, and in 2013 the monthly subsidy was increased to $58.75/month for three months. With this revision, all available CDBG funds were depleted within three months.

In June 2014, voters passed Measure J (MSJ) and approved an advisory measure, Measure N, to allocate 5% of MSJ revenues to support a water and sewer utility ratepayer assistance program for low-income residents. In FY2014/15, with $75,000 in available funding, staff left the program unchanged from the previous program provided under CDBG to better understand demand in the City given the expanded funding available. However, participation remained low and less than $30,000 of the program funds were used.

In October 2015, the Water Utility Advisory Committee (WUAC) recommended changes in the program in an attempt to increase participation. The program was modified to offer $75/month for six months. The leftover funds from FY2014/15 were added to the FY15/16 allocation to provide a total of nearly $200,000 for the program, which was exhausted very quickly.

In FY2016/17, $125,000 was allocated for the program and no carryover funds were available. Again, the program structure was revisited by WUAC and staff to attempt to offer assistance to as many customers as possible. The current program offers $60/month for six months during a twelve-month period. 346 households participated in the program, and the funds were exhausted within three months.

Although the structure of the UAP has changed several times, the qualification criteria has remained unchanged. To qualify for the program, customers must own the property at which they live, the household applying must live at the address where the discount will be received, and they must provide proof of enrollment in PG&E's California Alternative Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) program. Participants must reapply each year in order to continue receiving the discount.

In March 2017 with the passage of the updated water rates, Council expressed a desire to expand the UAP. On June 4, staff provided a proposed FY2017/18 budget to the Council recommending an allocation of $225,000 to the UAP from MSJ funds.

Discussion

For fiscal year 2017/18, the funding recommendation for the UAP increased by $100,000 to a total of $225,000 in available Measure J funds. In an effort to allow the program to expand to additional households, the structure of the current subsidy requires revision. Additionally, feedback from participants in the program indicated that assistance over a twelve-month period, rather than six months, was preferable since income does not generally vary over the year. Staff also believes it is beneficial to align the program dates with a fiscal year to allow for more efficient administration of the program.

Staff reviewed various options for structuring the program, including leaving the current subsidy amount unchanged and expanding the term to twelve months. However, this would result in a reduction in the number of households that could participate in the program. Based on the number of participants during the current year, as well as the estimated number of applications that were denied due to lack of funding, a proposed structure of the program of $40/month for twelve months resulted in the best coverage.

The recommended program structure would provide up to $480 of annual assistance to a household (an increase of 33% over the current program), allow for up to a full year of assistance, and provide help to 468 households (an increase of 35% over the current program). The program will begin July 1, 2017 and end on June 30, 2018; participants that apply and are approved in July will receive a full year of the subsidy, and those that enroll later will receive the subsidy for as many months that remain through June 20, 2018. Subsidies will be provided until funds are exhausted, which will occur on a "first come, first served" basis. Once the $225,000 for the current fiscal year is fully committed, applications will no longer be accepted for the UAP. The application period will reopen in July 2018 and an application will be required for participation in the following fiscal year.

No changes are proposed to the eligibility criteria for the program. The eligibility criteria continues to be as follows:

- Customers must own the property at which they live. Renters do not qualify for the program.

- The household applying must live at the address where the discount will be received.
- Proof of enrollment in PG&E's California Alternative Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) program must be provided.
- Participants must reapply each year in order to continue receiving the discount.

The WUAC is supportive of the proposed program, but had concern over ensuring that participants receiving a subsidy were following good consumption habits. Participants will be encouraged to work with the City's water conservation staff to receive assessments of the water use to ensure overall management of consumption and to minimize financial exposure on their utility bills.

Commission/Committee Recommendation

The WUAC met on June 7, 2017, reviewed various options for the program for FY2016/17, and unanimously supported the proposed structure of the program. The WUAC felt that participants in the UAP should be strongly encouraged to contact the City's water conservation staff for an assessment of their water use to ensure overall management of water use and to minimize financial exposure on their utility bills.

Conclusion

Staff recommends that the City Council modify the Utility Assistance Program to provide a subsidy of $40/month for up to12 months in a fiscal year.

Prepared by: Kim McKinney, Finance Officer

Paul Navazio

Paul Navazio, City Manager

City Hall
300 First Street
Woodland, CA 95695

Legislation Text

26.

File #: 17-0526, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Fiscal Year 2017-2018 Budget

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. _____, approving the Fiscal Year (FY) 2017-2018 Annual Budget of $158.24 million, which includes the budgets for the Capital Improvement Program, the Woodland Finance Authority and the Successor Agency to the former Redevelopment Agency.

Staff Contact

Evis Morales, Senior Management Analyst - 530-661-5923, evis.morales@cityofwoodland.org

Fiscal Impact

The recommended All Funds budget for FY 2017-2018 totals $158.24 million and the General Fund budget, including all funding recommendations and Measure J programming is $49.15 million. Total revenues and transfers-in for all funds for FY 2017-2018 are projected at $154.41 million.

Background

Over the past four months, the Council received a series of presentations related to the FY 2017-2018 proposed budget, starting with the FY 2016-2017 Mid-Year Update in February, a Spring Budget Workshop in March, presentations on Measures J and F, and a preview of the preliminary budget recommendations at the June 6, 2017 meeting. The information presented during those meetings focused on the FY 2017-2018 fiscal outlook as well as the pressures that will impact the City's budget, particularly in the General Fund, over the planning horizon of the five-year forecast.

Discussion

The proposed spending plan totals $158.24 million, supporting city operations ($111.13 million), capital projects ($26.55 million) and debt service obligations ($20.56 million) and represents an increase of 1.5% from last year's adopted budget. Consistent with previous years, costs associated with the City's investment management function ($90,000) are not shown as expenditure appropriations, but are instead netted against total investment income for the fiscal year.

General Fund	$49,148,886
Enterprise Funds	56,877,132
Special Revenue Funds	13,899,630
Internal Service Funds	16,662,099
Capital Funds	14,527,250
Debt Service Funds	6,262,379
Successor Agency	867,157
Total	$158,244,533

The budget includes a set of specific funding recommendations totaling $2,191,256, including $1,999,456 in one-time funding and $195,800 in ongoing budget augmentations, and supports a staffing level of 296 full-time equivalent positions. This staffing level represents a net increase of 2 position over the prior year, and remains 81 positions (21%) fewer than pre-recession staffing levels of FY2008/09 budget.

The General Fund budget, totaling $49.15 million, as proposed, represents an increase of $1.8 million over the prior year, with $1.62 million representing one-time funding allocations from available excess General Fund reserves. The overall budget proposal, including specific funding recommendations to meet selected priority needs would, if approved, result in an anticipated year-end fund balance in the General Fund of $12.77 million (29.9%), or $4.23 million above the Council-adopted reserve policy level of 20%.

The proposed FY2017/18 Capital Improvement Program budget includes funding recommendations totaling $26.55 million, of which $11.25 million is allocated for investment in transportation infrastructure, $11.82 million to advance capital projects with our water and sewer utilities, and $3.23 million supports park and library facility improvements. Of this amount, $3.63 million is provide through Measure E, consistent with the FY2017/18 funding allocations approved by the Council earlier in the budget process.

The budget represents the sixth year of implementation of the city's framework designed to advance the Council's goal of fiscal stability. The FY2017/18 budget provides a modest amount of budget flexibility to address priority needs. While the city has made significant progress in tackling its long-term structural budget deficit, managing personnel costs and addressing unfunded liabilities, more work is needed over the next few years. The updated General Fund forecast currently reflects a projected deficit of $1.2 million for FY2018/19, growing to $3.2 million by FY2021/22, attributable almost entirely to projected increases in CalPERS retirement contribution rates resulting from lower interest earnings assumptions adopted by the CalPERS Board.

Otherwise, the City's fiscal and economic outlook has improved over the course of the prolonged economic recovery and is expected to further benefit from implementation of the newly adopted General Plan as well as targeted investment in infrastructure and initiatives to support economic development opportunities.

Ongoing Progress Across All Council Goal Areas

In presenting a spending plan for the next fiscal year to continue advancing specific City Council priorities, it is appropriate to highlight some of the key accomplishments from the past year.

Within the area of long-term fiscal stability, the city continues to benefit from the progress made over the past three years - working with its represented employee groups - to restructure labor agreements, reducing costs, and sharing in the long-term risk associated with rising health and pension costs. The City also continues to make progress in addressing unfunded liabilities by setting aside additional funds in our effort to incrementally pre-fund retiree medical benefits. Three years ago the City established an irrevocable OPEB trust account and following an initial contribution in excess of $1 million, annual contributions are being made to the fund, in excess of the funding required to pay for retiree health insurance premiums on a pay-as-you-go basis. This year’s budget again recommends allocations to pre-fund retiree medical benefits as we approach full funding on an actuarial basis.

Significant progress has also been made on several major infrastructure projects, most notably the Davis-Woodland water supply project, related local water storage infrastructure and completion of our initial recycled water project. A major focus continues to be work needed to implement a comprehensive flood solution for our community. As the Army Corps of Engineers nears completion of its feasibility study, our local project team has worked with the State Department of Water Resources to refine project features required to meet local and state requirements. Advocacy at the State and Federal levels will be required to secure funding needed for completion of the Corps’ feasibility study.

A major emphasis over the past year has been on economic and community development, culminating in the adoption by the Council of the City’s new General Plan. The General Plan will provide the roadmap to managed growth for our community, while providing added flexibility and predictability for development opportunities identified as best meeting community needs - chief among these are business expansion and job creation.

Concurrently, the adoption of the Climate Action plan will guide ongoing efforts to reduce our community’s carbon footprint consistent with State’s greenhouse gas reduction targets. This year also saw completion of the City’s 2.4-megawatt solar array project and decision to join a Community Choice Energy JPA in partnership with Yolo County and the City of Davis. The community also responded to the recent drought by aggressively implementing water conservation measures that exceeded state mandated savings targets.

Proposed Budget Recommendations

The overall Proposed Budget is consistent with the budget framework developed over the past several fiscal years as well as feedback provided by the City Council through its regular quarterly budget updates and the Spring Budget Workshops held this past March.

As has been the case in recent years, the budget necessarily incorporates fairly conservative revenue estimates, which contribute to limited discretionary budget flexibility. Nonetheless, the ability of the city to maintain, and increase, reserve levels has provided an opportunity to exercise diligence in implementing long-term, sustainable structural budget changes, while also providing the ability to utilize a prudent amount of one-time funding to address priority needs, above what can be supported by the baseline budget.

The budget also includes one-time funding recommendations totaling $1,995,456, including $1,615,856 in proposed General Fund appropriations from available excess reserves and an additional $379,600 from non-General Fund sources.

The following summarizes the specific one-time funding recommendations included as part of the FY2017/18 Proposed Budget:

One-Time Funding - General Fund

Fire Admin. /Mgmt.	$	450,795	
Disaster Preparedness		50,000	
Economic Development		214,854	
Community Choice Energy		500,000	
Cyclical Tree Pruning		100,000	
Public Information Plan		30,000	
Homeless Funding		100,000	
COPS Grant (FY17/18 Matching Costs)		120,207	
Sub-Total General Fund	*$*	*1,565,856*	
Police Activities League (Start-up Funding)	$	30,000	Measure J
YGRIP - Youth Mentoring, Big Brothesr / Big Sisters		20,000	Measure J
Sub-Total Measure J	*$*	*50,000*	
Total General Fund (incl. Meas. J)	***$***	***1,615,856***	

One-Time Funding - Non-General Fund

Update Facilities Assessment	$	150,000	Facilities Fund
Body Cameras	$	82,000	Insurance Func
Pursuit Driving Training (Police)		16,000	Insurance Func
Install Fire Alarm at City Hall		72,600	Insurance Func
Sub-Total Self-Insurnce Fund	$	170,600	
Utility Services Locator Vehicle	$	59,000	Sewer Fund
Total Non-General Fund	***$***	***379,600***	
Grand Total One-Time Funding Recommendations	**$**	**1,995,456**	

Under the current budget framework, very limited budget flexibility is available to support on-going budget augmentations. For FY2017/18, unallocated Measure J funding from the voter-approved 1/4-cent sales tax is available to continue to advance priorities consistent with the intent of the measure (as expressed in the series of advisory measures appearing on the June 2014 ballot). On a going forward basis, it is anticipated that Measure F (starting in FY18/19) will provide some level of additional budget flexibility to address needs in the areas of streets and roads, parks capital improvements, public safety and economic development.

The following table summarizes the FY17/18 funding recommendations for ongoing, recurring annual appropriations:

Recurring Funding - General Fund

Body Camera Software	$	8,200	General Fund
Utility Assistance Program	$	100,000	Measure J
Player Fees Cost Increase		60,000	Measure J
CPRS Memberships		1,000	Measure J
Woodland Swim Team Measure J Subsidy		10,000	Measure J
Crime Prevention Outreach/ViP Recruitment-Supplies		6,600	Measure J
MakerSpace Temporary Staffing		10,000	Measure J
Sub-Total Measure J	*$*	*187,600*	
Total General Fund (incl. Meas. J)	***$***	***195,800***	
Recurring Funding - Other Funds			
Reduce Temp Personnel Hours	$	(101,653)	Various Funds
Utility Services Locator		91,348	Various Funds
Utility Services Locator Ongoing Other Costs		10,305	Various Funds
Total Non-General Fund	$	-	
Grand Total Recurring Funding Recommendations	**$**	**195,800**	

Within funding available through Measure J, the most significant budget recommendations include increasing funding by $100,000 per year for the City's Utility Rate-Payer Assistance Program (from $125,000 to $225,000), and increasing funding by $60,000 per year (from $55,000 to $115,000) to reduce costs of player fees for participants across the many organized sports leagues.

Various utility funds are proposed to be re-programmed to fund a new staff position who will be responsible for developing and maintaining GIS mapping of all City underground utilities and facilities. Significant efficiencies will be achieved by transferring this critical work from existing street and utility maintenance crews to a dedicated staff person, who will also serve as a liaison between Public Works, Engineering and Information Technology.

Capital Budget Overview

A major component of the city's annual budget process is the update to the five-year Capital Improvement Program. For FY2017/18, the CIP budget proposes funding totaling $26.55 million, as follows:

Project Category		FY 2016/17		FY 2017/18		FY2018/19		FY2019/20		FY2020/21
Library	$	228,023	$	85,000	$	85,000	$	85,000	$	85,000
Park Facilities		3,561,000		3,143,000		1,795,000		705,000		15,000
Sewer		4,473,000		2,500,000		2,110,000		1,260,000		2,104,00
SLIF Infrastructure		9,300,000		238,000		3,755,000		4,994,000		-
Transportation		15,661,893		11,256,474		3,170,000		2,605,000		3,210,00
Storm Drain		660,000		10,000		10,000		10,000		10,000
Water		9,023,300		9,315,823		2,708,017		2,708,017		2,708,01
Grand Total	$	**42,907,216**	$	**26,548,297**	$	**13,633,017**	$	**12,367,017**	$	**8,132,01**

Selected Highlights of the proposed FY17/18 CIP Include:

Parks:

- Rick Gonzalez Park (SL N3) $ 2.9 million
- Spring Lake Park (N-1) $ 213,000
- Parks / Recreation Facilities Planning $ 25,000

Transportation

- Kentucky Avenue Widening (FY16/17)
- Road Maintenance $1.6 million
- West Woodland Safe Routes to School $ 2.6 million
- West Main Street Road & Bike/Ped. Improvements $ 5.1 million
- New Traffic Signal Kentucky Ave. / Cottonwood $ 525,000

Utilities

- ASR Well Construction $ 4.3 million
- North Regional Pond and Pump Station (FY16/17) $ 8.0 million
- Sewer Pipeline Repairs / Laterals $ 1.5 million
- Water Distribution Repairs / West Street Upgrade $ 4.6 million

Funding Support for Selected Strategic Initiatives

- General Plan Implementation - funding has been provided in the current year budget for completion of the General Plan Update as well as initial work on several items included in the General Plan Implementation work plan, including Zoning Ordinance Update, Downtown Master Plan, updating our Major Projects Financing Plan/ Development Impact Fees, and Climate Action Plan. Additional funding to support completion of additional implementation tasks is expected to be prioritized for funding from savings expected to be available at the end of the current fiscal year. These items include completion of full Zoning Ordinance Update, Neighborhood Traffic Calming Plan, Active Transportation / Bike Plan, and Fire Master Plan.

- Economic Development - The budget includes an additional $215,000 in one-time General Fund appropriations in support of economic develop efforts as well as management of large development projects that foster growth in both employment and property values. This funding is further supplemented by funding provided through the Hotel Business Improvement District in collaboration with local hoteliers and funding support from private sector partners, specifically our Food and Ag Cluster consortium. The budget also includes continued funding for the City's partnership with the Greater Sacramento Area Economic Council (GSAEC).

- Flood Risk Protection - Progress continues in our efforts to develop a solution to the flood risk associated with Lower Cache Creek and the West Levee of the Yolo Bypass. As the City strives to advance completion of the Army Corps of Engineers' feasibility study, we continue to leverage project funding with State and Federal contributions. Additional funding support may be required to complete the LCCFS (targeting FY18/19 Federal budget), specifically with respect to state and federal advocacy efforts.

- Sustainability - Highlights of the proposed budget include funding to support the City's participation in the Valley Clean Energy (Community Choice) JPA, continued investment in water supply and storage infrastructure and appropriation of grant funds awarded by CalFire in support of our community-wide tree initiatives, in partnership with the Woodland Tree Foundation. This grant will also provide funding for development of a comprehensive Urban Forestry Plan for the City. Finally, we are excited to commence implementation of the newly adopted Climate Action plan as an essential component of the General Plan Update.

- Public Safety - Among the areas of focus within Public Safety is continued funding to support re-establishing a Fire management structure, including funding to reestablish the Fire Marshall position within the Fire Department. Funding is also proposed to help support ongoing efforts in the area of Disaster Planning and Preparedness. Finally, funding is proposed to provide matching funds for a grant application under the DOJ's COPS Hiring Program for an additional three police officers.

- Youth Gang Reduction and Intervention Program (YGRIP) - Funds are provided for the continuation of the city's contract with the YGRIP Coordinator, supplemental funding to support a part-time (contract) Youth Counselor, re-establishing the Big Brothers / Big Sisters program in Woodland, and seed funding for the Police Activities League.

- Measure J / Youth Initiative - The budget provides ongoing funding support for programs established through the passage of Measure J through the voter-approved quarter-cent sales tax that generates in excess of $2.0 million per year. In addition to baseline funding for youth recreation, lunch-time and after school programming, Library literacy programs and services addressing needs of youth-at-risk, the proposed budget includes the following funding allocations:

	FY2017	FY2018	Adjustme	FY2018
Revenues	$ 2,320,11[illegible]	$ 2,410,950		$ 2,410,9
Expenditures				
Utility Assistance	$ 131,380	$ 124,627	$ 100,000	$ 224,62
CIP Project	$ 5,000	$ -		
General Recreation	$ 470,163	$ 429,764	$ 61,000	$ 490,76
Middle School After-School Enrichment	$ [illegible]8,627	$ 202,340		$ 202,34
Aquatics	$ 221,126	$ 235,189	$ 10,000	$ 245,18
Recreation Van	$ 61,262	$ 88,780		$ 88,78
Summer Camp	$ 174,652	$ 197,392		$ 197,39
Youth Advisory Committee & Academy	$ 5,000	$ 5,000		$ 5,00
At-Risk Youth	$ 307,262	$ 190,280	$ 50,000	$ 240,28
Crime Prevention	$ 110,250	$ 119,782	$ 6,600	$ 126,38
GREAT Program	$ 75,000	$ 47,000		$ 47,00
Library	$ 453,735	$ 518,174	$ 10,000	$ 528,17
Total Programming	$ 2,363,457	$ 2,158,327	$ 237,600	$ 2,395,9
Unallocated	$ -	$ 252,623		$ 15,02
	$ 2,363,457	$ 2,410,950		$ 2,410,9

- Homelessness - An additional $100,000 in one-time funding is being proposed in support of the city's ongoing efforts to address Homelessness-related initiatives, including our Housing First pilot project. This funding supplements funding included in the baseline budget in support of the County's Homeless Coordinator, and funds carried over from the current-year budget. In addition to increased efforts needed to identify available permanent supportive housing units, a major focus in this area will be securing additional state and private sector funding ($200,000) targeting collaborative inter-agency partnerships. Expanding shelter resources and managing nuisance issues will continue to be a priority, particularly as the effect other Council priority initiatives related to Downtown, Business Development and Tourism. In addition, the City is engaged with the faith community on projects ranging from a "Tiny Homes" pilot project and expanding on the success of this past year's Winter Shelter program. It is recommended that the staff and the Council's Homeless Sub-Committee return to Council this fall with specific recommendations on priorities for available funding.

- Public Information, Outreach and Constituent Services - Funding is also included in the FY2107/18 Proposed budget to improve access to public information through upgrading the city's web page and social media platforms as well as transition to a new City Council/Commission agenda management system to improve access to information and promote transparency in government.

Looking Ahead

As we look forward to implementing the budget for FY2017/18, our goal is to sustain and build on several key investment opportunities and continue to look for ways to leverage our local funding to enhance programs and services consistent with City Council and community priorities. Through ongoing partnerships and collaborations with public and private sector partners, we are seeing the fruits of key initiatives undertaken over the past few years. Our efforts are also buoyed by the support provided by voters through passage of Measure J and Measure F.

It is the overall goal of the Proposed Budget and long-term financial plan of the City to ensure that the City of Woodland can continue to deliver quality programs and services, invest in the future of the community, while sustaining a fiscally prudent budgetary framework.

Conclusion

Staff recommends that the City Council adopt Resolution No. _____, approving the Fiscal Year (FY) 2017-2018 Annual Budget of $158.24 million, which includes the budgets for the Capital Improvement Program, the Woodland Finance Authority and the Successor Agency to the former Redevelopment Agency.

Prepared by: Evis Morales, Senior Management Analyst

Reviewed by: Kimberly McKinney, Finance Officer

Paul Navazio, City Manager

Attachments:

1) FY 2017-2018 Budget Resolution
   Exhibit A - Total Appropriations by Fund
2) FY 2017-2018 Authorized Positions

RESOLUTION NO: _______________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND ADOPTING THE FISCAL YEAR 2017-2018 ANNUAL BUDGET

WHEREAS, a balanced annual budget for the City of Woodland has been prepared for fiscal year 2017-2018 and presented to the City Council and reviewed at a public meeting on March 24, 2017 and June 6, 2017; and

WHEREAS, the proposed budget also includes the fiscal year 2017-2018 budgets for the Woodland Finance Authority and the Successor Agency to the former Woodland Redevelopment Agency; and

WHEREAS, the budget for Capital Improvement Plan for fiscal year 2017-2018 has been prepared; and

WHEREAS, all appropriations for the prior fiscal year shall lapse at the end of fiscal year 2017-2018 and any remaining amounts shall be credited against their respective fund balances, except for:

a. Any unexpended but encumbered amounts for specific orders outstanding at the end of the Fiscal Year, and
b. Any appropriations for incomplete capital projects at the end of fiscal year 2017-2018; and

WHEREAS, for these exceptions, such carry-overs may be made without further City Council action,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WOODLAND HEREBY RESOLVES:

Section 1. The 2017-2018 Annual Budget is hereby adopted for the following funds (detail shown as Exhibit A):

General Fund	$49,148,886
Enterprise Funds	56,877,132
Special Revenue Funds	13,899,630
Internal Service Funds	16,662,099
Capital Funds	14,527,250
Debt Service Funds	6,262,379
Successor Agency	867,157
Total	$158,244,533

Section 2. The one-time and ongoing funding recommendations outlined in the proposed budget are hereby approved, including additions of positions described therein.

RESOLUTION NO: _______________

Section 3. Appropriations are hereby made at the individual fund level. The City Manager and Finance Officer are authorized to make budgetary transfers within an individual fund, so long as total appropriations for such fund remain unchanged. Interfund loans and/or transfers necessary to support fund level appropriations are hereby approved and authorized. Any changes to total fund level appropriations require further Council action.

Section 5. The City Manager and Finance Officer are hereby authorized to implement this resolution, including issuing the 2017-2018 Budget, together with any non-substantive corrections to the proposed budget adopted by this Council.

PASSED, APPROVED, AND ADOPTED THIS ______ DAY OF _______________, 2017.

STATE OF CALIFORNIA
COUNTY OF YOLO ss.
CITY OF WOODLAND

I, ________________________________, City Clerk of the City of Woodland, County of Yolo, State of California do hereby certify that the foregoing Resolution No. ___________ was regularly adopted by the City Council of said City of Woodland at a regular meeting of said council held on the __________ day of ______________, 2017, by the following vote:

AYES:	Council members:	________________________________
NOES:	Council members:	________________________________
ABSENT:	Council members:	________________________________
ABSTAIN:	Council members:	________________________________

____
Angel Barajas, Mayor

Attest:

______________________________________,
City Clerk, Ana B. Gonzalez

EXHIBIT A

CITY OF WOODLAND
FISCAL YEAR 2017/18
TOTAL APPROPRIATIONS BY FUND

Fund	Title	FY 2017/18
010	EQUIP SERVICES	2,627,518
011	FACILITIES REPLACEMENT	250,000
012	EQUIPMENT REPLACEMENT	1,172,064
013	BENEFITS FUND	8,637,872
015	INFORMATION SYSTEMS FUND	2,162,956
091	SELF INSURANCE	1,811,689
101	GENERAL FUND	49,148,886
210	WATER ENTERPRISE FUND	34,828,211
220	SEWER ENTERPRISE FUND	17,365,428
221	STRM DR ENTERPRISE FUND	1,409,518
222	WASTEWATER PRE-TREATMENT	547,951
240	CEMETERY	460,811
250	RECYCLING	249,018
252	CONST/DEMO DEBRIS RECYCLE	67,397
253	RECREATION ENTERPRISE	389,913
280	TRANSIT SYSTEM	1,558,885
301	LITERACY GRANT	94,730
320	COMMUNITY DEV. BLOCK GRNT	405,866
322	SUPPORT HOUSING PROGR	248,084
325	WORFORCE HOUSING GRANT	182,200
326	HOUSING ASSISTANCE	21,100
340	POLICE GRANTS	585,487
351	TRANSPORTATION GRANT	5,510,652
352	SLESF	134,105
353	PROPISTION 172	539,958
354	TRANS DVLP (SB325)	1,254,231
355	GAS TAX-2106 (SELECT)	1,810,717
357	ASSET FORFEITURE FUND	25,000
358	HOUSING MONITORING FUND	87
359	FIRE SUPPRESSION DISTRICT	3,500
365	ENVIRONMENTAL COMPLIANCE	182,938
381	GIBSON RANCH L&L	850,298
383	N PARK L&L DISTRICT	33,960
384	SP ASSESS STRENG PD LAND	36,030
386	USED OIL RECYCLING GRANT	16,000
387	WOODLAND WEST L&L	25,477
389	SPRINGLAKE L&L	1,315,209
391	SPORTS PARK O&M CFD	446,103
392	GATEWAY L&L	149,398

501	CAPITAL PROJECTS	204,416
506	MEASURE E	5,533,307
510	GENERAL CITY DEVELOPMENT	6,779
522	RECOGNIZED OBLIGATION RETIREMENT FUN	867,157
540	PARK & RECREATION DVLP	1,584,453
550	POLICE DEVELOPMENT FUND	70,364
560	FIRE DEVELOPMENT	181,964
570	LIBRARY DEVELOPMENT FUND	87,587
581	STORM DRAIN DEVELOPMENT	203,981
582	ROAD DEVELOPMENT	942,351
584	WATER DEVELOPMENT FUND	69,799
585	SEWER DEVELOPMENT FUND	1,982,828
593	GIBSON RANCH INFRA-STRUC	990
594	SPRING LAKE CAPITAL	139,095
601	SPRINGLAKE ADMINISTRATION	141,356
640	SLIF PARKS & RECREATION	3,189,980
681	SLIF STORM DRAIN FUND	88,000
682	SLIF STREET IMPROVEMENT	100,000
830	SOUTHEAST AREA DEBT SERV	1,308,588
850	EAST MAIN ASSESS DIST 90	12,404
870	CFD#2 SPRINGLAKE DEBT SRV	3,086,308
882	2012 LEASE REFUNDING	312,203
883	2014 REFUNDING LEASE REV BONDS	1,542,876
917	LIBRARY TRUST FUND	28,500
		$158,244,533

CITY ORGANIZATION

Employee Summary - Citywide

Classification	Proposed FY2017/18
Accountant II	1
Administrative Clerk I	0
Administrative Clerk II	4
Administrative Clerk III	3
Administrative Secretary	2
Administrative Supervisor	1
Application Analyst, Sr.	1
Assistant Engineer	0
Associate Civil Engineer	1
Associate Engineer	1
Associate Planner	1
Assistant City Manager-Community & Economic Development	1
Chief Building Official	1
Chief Plant Operator	0
Chief Collection System Operator	1
Chief Water Systems Operator	0
City Clerk	1
City Engineer	1
City Manager	1
Code Compliance Officer II	2
Community Development Director	0
Community Development Technician II	1
Community Services Director	1
Community Services Officer	4
Community Services Program Manager	2
Conservation Coordinator	3
Construction Project Manager	1
Crime & Intelligence Analyst	1
Crime Prevention Specialist	1
Deputy CDD Director	1
Deputy PW Director - O&M	0
Deputy PW Director - Utilities	1

Employee Summary-Citywide (Continued)

Classification	Proposed FY2017/18
Electrical Supervisor	1
Electrician's Assistant	2
Engineering Technician II	2
Engineering Technician III	5
Environmental Compliance Inspector I	2
Environmental Compliance Specialist	0
Environmental Resource Analyst	0
Environmental Resource Manager	1
Equipment Services Clerk	1
Equipment Services Worker	1
Facilities Maintenance Worker I	0
Facilities Maintenance Worker II	1
Facilities Maintenance Worker III	3
Finance Clerk II	2
Finance Officer	1
Finance Specialist	3
Finance Supervisor	1
Fire Battalion Chief	3
Fire Captain	12
Fire Chief	1
Fire Engineer	12
Fire Marshal	1
Fire Prevention Specialist II	2
Firefighter	15
Fleet & Facilities Manager	1
GIS Analyst	1
GIS Technician II	0
Heavy Equipment Mechanic	2
Human Resources Analyst II	1
Human Resources Manager	1
Ind Electrical Tech	2
Information Systems Technician II	1
Information Technology Analyst	1
Information Technology Manager	1
Infrastructure O&M Superintendent	1
Laboratory & Env Comp Manager	1

Employee Summary-Citywide (Continued)

Classification	Proposed FY2017/18
Laboratory Supervisor	0
Laboratory Technician II	2
Laboratory Technician III	0
Librarian I	0
Librarian II	3
Librarian III	1
Library Services Director	1
Library Technician Assistant II	1
Library Technician Assistant III	2
Light Equipment Mechanic	1
Literacy Coordinator	1
Maintenance Supervisor	1
Maintenance Worker I	2
Maintenance Worker II	3
Maintenance Worker III	2
Management Analyst II	1
Park Maintenance Worker II	3
Park Superintendent	1
Park Supervisor	2
Police Captain	1
Police Chief	1
Police Lieutenant	3
Police Officer	49
Police Records Specialist	2
Police Records Supervisor	1
Police Sergeant	10
Pool Facilities Technician	1
Principal Civil Engineer	1
Principal Planner	1
Principal Utilities Civil Engineer	1
Public Safety Chief	0
Public Works Director	1
Records Manager	0
Recreation Coordinator	3
Recreation Supervisor	4
Redevelopment Manager	1
Secretary to the City Manager	1

Employee Summary-Citywide (Continued)

Classification	Proposed FY2017/18
Senior Accountant	1
Senior Building Inspector	1
Senior Building Plans Examiner	1
Senior Associate Civil Engineer	2
Senior Civil Engineer	1
Senior Engineering Assistant	0
Senior Equipment Mechanic	1
Senior Management Analyst	4
Senior Planner	2
Signs and Marking Tech II	1
Senior Police Records Specialist	4
Senior Tree Trimmer	1
Senior Utilities Maint Wrk Sewer	1
Senior Utilities Maint Wrk Water	2
Senior Water System Operator	1
Senior Signs & Markings Technician	1
Storekeeper	0
Systems Analyst, Senior	1
Traffic Sig/Street Light Tech	1
Treatment Plant Mechanic	1
Tree Trimmer II	1
Utilities Maintenance Supervisor	0
Utilities Maintenance Worker I	9
Utilities Maintenance Worker II	8
Utilities Maintenance Worker III	6
Utilities Service Locator	1
WPCF Superintendent	0
Wastewater Systems Admin	0
Water Pollution Control Operator III	2
Water Pollution Control Operator IV	2
Water Systems Administrator	1
Water Services Technician	2
Water Systems Operator II	2
Water/Waste Inst Tech	2
WPCF Chief Operator	1
Total	**296**

Legislation Text

27.

File #: 17-0545, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017
SUBJECT: Designate Delegate for the Annual League of California Cities Conference

Recommendation for Action: Staff recommends that the City Council designate a voting delegate to represent the City at the Annual Conference of the League of California Cities to be held in Sacramento, September 13 - 15, 2017.

Staff Contact

Ana B. Gonzalez, City Clerk - 530-661-5806, ana.gonzalez@cityofwoodland.org

Background

The City Council is asked to designate a Council Member to represent the City as voting delegate at the Annual League of California Cities Conference in September. This Conference affords Woodland the opportunity to vote on resolutions of importance to cities.

Each year the Council is asked by the League of California Cities to designate a voting delegate and an alternate to cast the City's vote at the general business session of the League's annual conference. Each City regardless of size has one vote at the business session where resolutions on a variety of topics are presented for action. Adopted resolutions become the League program of action for the coming year and in many instances result in legislation being introduced. The designation will be forwarded to the League.

Discussion

It is important for the City to remain active and engaged in the League of California Cities and designate a Council Member to act on behalf of the City at the annual conference. The League will be involved in several critical issues affecting California cities this year, including the State budget, the pension reform and various issues associated with public safety and infrastructure. The designated representative will be asked to vote on League resolutions that will form the legislative platform for these issues and many others that will impact California cities.

Conclusion

Staff recommends that the City Council designate a voting delegate to represent the City at the Annual Conference of the League of California Cities to be held in Sacramento, September 13 - 15, 2017.

Prepared by: Ana B. Gonzalez, City Clerk

Paul Navazio, City Manager

Attachments

LEAGUE® OF CALIFORNIA CITIES

1400 K Street, Suite 400 • Sacramento, California 95814
Phone: 916.658.8200 Fax: 916.658.8240
www.cacities.org

Council Action Advised by July 31, 2017

May 3, 2017

TO: Mayors, City Managers and City Clerks

RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES
League of California Cities Annual Conference – September 13 – 15, Sacramento

The League's 2017 Annual Conference is scheduled for September 13 – 15 in Sacramento. An important part of the Annual Conference is the Annual Business Meeting (during General Assembly), scheduled for 12:30 p.m. on Friday, September 15, at the Sacramento Convention Center. At this meeting, the League membership considers and takes action on resolutions that establish League policy.

In order to vote at the Annual Business Meeting, your city council must designate a voting delegate. Your city may also appoint up to two alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve in that capacity.

Please complete the attached Voting Delegate form and return it to the League's office no later than Friday, September 1, 2017. This will allow us time to establish voting delegate/alternate records prior to the conference.

Please note the following procedures that are intended to ensure the integrity of the voting process at the Annual Business Meeting.

- **Action by Council Required.** Consistent with League bylaws, a city's voting delegate and up to two alternates must be designated by the city council. When completing the attached Voting Delegate form, please attach either a copy of the council resolution that reflects the council action taken, or have your city clerk or mayor sign the form affirming that the names provided are those selected by the city council. Please note that designating the voting delegate and alternates **must** be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.

- **Conference Registration Required.** The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. To register for the conference, please go to our website: www.cacities.org. In order to cast a vote, at least one voter must be present at the

Business Meeting and in possession of the voting delegate card. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the Voting Delegate Desk. This will enable them to receive the special sticker on their name badges that will admit them into the voting area during the Business Meeting.

- **Transferring Voting Card to Non-Designated Individuals Not Allowed.** The voting delegate card may be transferred freely between the voting delegate and alternates, but *only* between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the Business Meeting, they may *not* transfer the voting card to another city official.

- **Seating Protocol during General Assembly.** At the Business Meeting, individuals with the voting card will sit in a separate area. Admission to this area will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate. If the voting delegate and alternates wish to sit together, they must sign in at the Voting Delegate Desk and obtain the special sticker on their badges.

The Voting Delegate Desk, located in the conference registration area of the Sacramento Convention Center, will be open at the following times: Wednesday, September 13, 8:00 a.m. – 6:00 p.m.; Thursday, September 14, 7:00 a.m. – 4:00 p.m.; and Friday, September 15, 7:30 a.m.– Noon. The Voting Delegate Desk will also be open at the Business Meeting on Friday, but will be closed during roll calls and voting.

The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

Once again, thank you for completing the voting delegate and alternate form and returning it to the League office by Friday, September 1. If you have questions, please call Carly Shelby at (916) 658-8279.

Attachments:

- Annual Conference Voting Procedures
- Voting Delegate/Alternate Form

Annual Conference Voting Procedures

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to League policy.

2. **Designating a City Voting Representative.** Prior to the Annual Conference, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the Voting Delegate Form provided to the League Credentials Committee.

3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the Voting Delegate Desk in the conference registration area. Voting delegates and alternates must sign in at the Voting Delegate Desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the Business Meeting.

4. **Signing Initiated Resolution Petitions.** Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the Credentials Committee at the Voting Delegate Desk, may sign petitions to initiate a resolution.

5. **Voting.** To cast the city's vote, a city official must have in his or her possession the city's voting card and be registered with the Credentials Committee. The voting card may be transferred freely between the voting delegate and alternates, but may not be transferred to another city official who is neither a voting delegate or alternate.

6. **Voting Area at Business Meeting.** At the Business Meeting, individuals with a voting card will sit in a designated area. Admission will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate.

7. **Resolving Disputes.** In case of dispute, the Credentials Committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the Business Meeting.

LEAGUE® OF CALIFORNIA CITIES

CITY: ______________________________

2017 ANNUAL CONFERENCE
VOTING DELEGATE/ALTERNATE FORM

Please complete this form and return it to the League office by Friday, September 1, 2017. Forms not sent by this deadline may be submitted to the Voting Delegate Desk located in the Annual Conference Registration Area. Your city council may designate one voting delegate and up to two alternates.

In order to vote at the Annual Business Meeting (General Assembly), voting delegates and alternates must be designated by your city council. Please attach the council resolution as proof of designation. As an alternative, the Mayor or City Clerk may sign this form, affirming that the designation reflects the action taken by the council.

Please note: Voting delegates and alternates will be seated in a separate area at the Annual Business Meeting. Admission to this designated area will be limited to individuals (voting delegates and alternates) who are identified with a special sticker on their conference badge. This sticker can be obtained only at the Voting Delegate Desk.

1. VOTING DELEGATE

Name: ______________________________

Title: ______________________________

2. VOTING DELEGATE - ALTERNATE

Name: ______________________________

Title: ______________________________

3. VOTING DELEGATE - ALTERNATE

Name: ______________________________

Title: ______________________________

PLEASE ATTACH COUNCIL RESOLUTION DESIGNATING VOTING DELEGATE AND ALTERNATES.

OR

ATTEST: I affirm that the information provided reflects action by the city council to designate the voting delegate and alternate(s).

Name: ______________________________ E-mail ______________________________

Mayor or City Clerk ______________________________ Phone: ______________________
(circle one) (signature)

Date: ______________________________

Please complete and return by Friday, September 1, 2017

League of California Cities
ATTN: Carly Shelby
1400 K Street, 4th Floor
Sacramento, CA 95814

FAX: (916) 658-8240
E-mail: cshelby@cacities.org
(916) 658-8279

Legislation Text

28.

File #: 17-0539, Version: 1

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 20, 2017

SUBJECT: Approve the Sale of the City of Woodland Wastewater Revenue Refunding Bonds, Series 2017

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. _____, approving the Forms of and Authorizing Execution and Delivery of a Bond Issuance Agreement, a Letter Agreement for Purchase, and a First Amendment to the Installment Purchase Contract; Authorizing the Issuance of the City of Woodland Wastewater Revenue Refunding Bond, Series 2017; and Approving other Actions Related Thereto.

Staff Contact

Kim McKinney, Finance Officer - (530)661-5849, kimberly.mckinney@cityofwoodland.org

Fiscal Impact

Currently $9,920,000 is outstanding of the Woodland Finance Authority Wastewater Revenue Bonds (Second Senior Lien), Series 2009. An opportunity exists to refund these bonds and achieve significant total savings in debt service. Based on interest rates as of June 1, 2017, the proposed refunding would result in a total estimated savings of $1,605,537, a net present value savings of $1,379,810 (13.91% savings), or $114,880 per year in the City's Wastewater Enterprise fund. The total cost to complete the refunding is estimated at $105,000 and will be paid through the sale of the bonds.

Background

In 2009, the Woodland Finance Authority ("Authority") issued the 2009 Wastewater Revenue Bonds ("2009 Bonds") to finance the costs of acquiring, constructing and installing improvements to the City's wastewater system, establish a reserve fund for the 2009 Bonds and pay cost of issuance associated with those bonds. The 2009 Bonds were initially issued as second senior lien, on parity with the Wastewater Revenue Bonds, Series 2005 ("2005 Bonds"). Both the 2009 Bonds and the 2005 Bonds were second senior lien, meaning they were second in line to receive net revenues of the City's wastewater system, behind Certificates of Participation that were issued in 1992 and were paid off in March 2012. Following maturity of the Certificates of Participation, the 2009 Bonds and the 2005 Bonds became the senior lien obligation of the wastewater system.

In March 2014, the 2005 Bonds were refunded through the issuance of the Wastewater Revenue Bonds, Refunding Series 2014 (Junior Lien) ("2014 Bonds"). The issuance of these bonds created a junior lien, meaning they are second in line to receive net wastewater revenues behind the 2009 Bonds.

Discussion

Over the last few years, the municipal market has experienced extremely low and at times "all-time" low interest rates. The City and the Authority have taken advantage of these market conditions by generating substantial savings through the issuance of refunding bonds.

There is currently an opportunity to refund for significant savings the 2009 Bonds. By refunding the 2009 Bonds, the concept of senior lien and junior lien will be eliminated and both the 2017 Bonds and the 2014 Bonds will be on parity, or have first rights to the net revenues of the City's wastewater system.

Estimated refunding results of the bond issuance, assuming market rates as of June1, 2017 are as follows:

Par Amount of 2017 Bonds	$9,746,381
Par Amount of 2009 Bonds Refunded	$9,920,000
Total 2017 Bonds Net Debt Service (1)	$11,422,161
Total 2009 Bonds Net Debt Service (2)	$13,027,698
Total Net Debt Service Savings	$1,605,537
Average Annual Savings	$114,880
NPV Savings	$1,379,810
NPV Savings %	13.91%
Average Interest Rate 2009 Bonds	4.65%
Final Maturity 2009 Bonds	3/1/2032
Average Interest Rate 2017 Bonds	2.30%
Final Maturity 2017 Bonds	3/1/2031

Notes

(1) The 2017 Bonds will not require a reserve fund

(2) Assumes the reserve fund for the 2009 Bonds would pay the final year of debt service.

The City's Municipal Advisor, Del Rio Advisors, LLC working in conjunction with the Placement Agent, Hilltop Securities, evaluated the refunding either as a public offering or as a direct placement to commercial banks and other lending. A public offering requires preparation of an official statement and receipt of a bond rating from one or more of the rating agencies (S&P, Moody's Investors Service or Fitch Ratings). The increased costs and time associated with conducting a public offering sometimes make it less economically attractive than a direct placement, particularly for smaller and shorter-term obligations.

Assuming interest rates as of June 1, 2017, the public offering provides total estimated savings of $1,226,939, net present value savings of $1,052,967 (10.62%) or $87,638 per year. This is still an attractive refunding but provides less economic benefit than the savings from a direct placement with total estimated savings of $1,605,537, net present value savings of $1,379,810 (13.91%) or $114,880 per year. For this reason, the Municipal Advisor recommended a direct placement and City staff concurred.

The financing team created a term sheet that was sent to 23 lenders. Of these, 14 lenders responded by May 31, 2017 with qualified bids. BBVA was the low bid with an interest rate of 2.30% and JP Morgan Chase was the cover bid (second place bidder) with a rate of 2.45%. The bids ranged from a low of 2.30% to a high of 3.54%.

One additional benefit of the refunding is the ability to shorten the term by one year. The 2009 Bonds have a reserve fund that will be used to pay the final year of debt service on March 1, 2032. This makes the effective date of the 2009 Bonds March 1, 2031. The reserve fund will be contributed to the 2017 refunding to make the 2017 refunding smaller. The 2017 Bonds will be structured with a final maturity of March 1, 2031 or the same effective date as that of the 2009 Bonds.

Currently, the interest rate proposed by BBVA is not locked. Upon approval, it is anticipated that the interest rate will be locked two weeks prior to closing, eliminating any further market risk from interest rate moves.

The City anticipates making payments directly to BBVA, which means no payment of upfront and annual fees of an intermediary such as a Trustee or Fiscal Agent. In addition, the City and BBVA have agreed to certain reporting requirements, primarily for the City’s audited financial statements and approved annual budget. This will not create any additional burden to provide ongoing continuing disclosure to the Electronic Municipal Market Access (“EMMA”) system like for publicly offered bonds.

Documents Presented for Approval: The following documents are provided to Council for review and approval:

Bond Issuance Agreement: This agreement governs all conditions related to the bonds including the establishment of accounts, the flow of funds and call provisions.

Letter Agreement for Purchase: This agreement governs the conditions by which the Placement Agent (Hilltop Securities) will purchase the bonds from the City and resell them to BBVA.

First Amendment to the Installment Purchase Contract.

Next Steps

Following City Council approval of the sale of the 2017 Bonds, the financing team anticipates that the closing of the transaction will occur on or around July 6, 2017.

Tuesday June 20	City Council Consideration
Week of June 26	Execute all Documents
Thursday July 6	Closing and Transfer Funds

Certain members of the financing team are present to answer any questions. The financing team consists of the following members:

Bond Counsel:	Kronick Moskovitz Tiedemann & Girard
Municipal Advisor:	Del Rio Advisors, LLC
Placement Agent:	Hilltop Securities
Escrow Agent:	U.S. Bank N.A.

Conclusion

Staff recommends that the City Council adopt Resolution No. _____, approving the Forms of and Authorizing Execution and Delivery of a Bond Issuance Agreement, a Letter Agreement for Purchase, and a First Amendment to the Installment Purchase Contract; Authorizing the Issuance of the City of Woodland Wastewater Revenue Refunding Bond, Series 2017; and Approving other Actions Related Thereto.

Prepared by: Kim McKinney, Finance Officer

Paul Navazio, City Manager

Attachments: Exhibit A - Detailed Bond Schedules
Resolution
Bond Issuance Agreement
Letter Agreement for Purchase
First Amendment to the Installment Purchase Contract

$9,746,381.00

Woodland Finance Authority
Wastewater Revenue Bonds
Series 2017 (Ref 2009) Private Placement at 2.3%

Table of Contents

Report

$9,746,381.00

Woodland Finance Authority
Wastewater Revenue Bonds
Series 2017 (Ref 2009) Private Placement at 2.3%

Sources & Uses

Dated 07/06/2017 | Delivered 07/06/2017

Sources Of Funds

Par Amount of Bonds	$9,746,381.00
Transfers from Prior Issue DSR Funds	937,271.16
Transfers from Prior Issue Debt Service Funds	1,976.66
Total Sources	**$10,685,628.82**

Uses Of Funds

Deposit to Net Cash Escrow Fund	10,580,628.57
Costs of Issuance	105,000.00
Rounding Amount	0.25
Total Uses	**$10,685,628.82**

$9,746,381.00

Woodland Finance Authority
Wastewater Revenue Bonds
Series 2017 (Ref 2009) Private Placement at 2.3%

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
03/01/2031	Term 1 Coupon	2.300%	2.300%	9,746,381.00	100.000%	9,746,381.00
Total	-	-	-	**$9,746,381.00**	-	**$9,746,381.00**

Bid Information

Par Amount of Bonds	$9,746,381.00
Gross Production	$9,746,381.00
Bid (100.000%)	9,746,381.00
Total Purchase Price	$9,746,381.00
Bond Year Dollars	$72,859.98
Average Life	7.476 Years
Average Coupon	2.3000000%
Net Interest Cost (NIC)	2.3000000%
True Interest Cost (TIC)	2.3002082%

$9,746,381.00

Woodland Finance Authority
Wastewater Revenue Bonds
Series 2017 (Ref 2009) Private Placement at 2.3%

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
03/01/2018	669,865.00	2.300%	146,331.08	816,196.08
03/01/2019	602,836.00	2.300%	208,759.86	811,595.86
03/01/2020	616,501.00	2.300%	194,894.64	811,395.64
03/01/2021	634,681.00	2.300%	180,715.12	815,396.12
03/01/2022	652,278.00	2.300%	166,117.46	818,395.46
03/01/2023	664,281.00	2.300%	151,115.06	815,396.06
03/01/2024	680,759.00	2.300%	135,836.60	816,595.60
03/01/2025	690,842.00	2.300%	120,179.14	811,021.14
03/01/2026	714,531.00	2.300%	104,289.78	818,820.78
03/01/2027	731,434.00	2.300%	87,855.56	819,289.56
03/01/2028	747,413.00	2.300%	71,032.58	818,445.58
03/01/2029	761,529.00	2.300%	53,842.08	815,371.08
03/01/2030	775,794.00	2.300%	36,326.92	812,120.92
03/01/2031	803,637.00	2.300%	18,483.66	822,120.66
Total	**$9,746,381.00**	**-**	**$1,675,779.54**	**$11,422,160.54**

Yield Statistics

Bond Year Dollars	$72,859.98
Average Life	7.476 Years
Average Coupon	2.3000000%
Net Interest Cost (NIC)	2.3000000%
True Interest Cost (TIC)	2.3002082%
Bond Yield for Arbitrage Purposes	2.3002082%
All Inclusive Cost (AIC)	2.4628944%

IRS Form 8038

Net Interest Cost	2.3000000%
Weighted Average Maturity	7.476 Years

$9,746,381.00

Woodland Finance Authority
Wastewater Revenue Bonds
Series 2017 (Ref 2009) Private Placement at 2.3%

Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
03/01/2018	816,196.08	816,196.08	931,075.00	114,878.92
03/01/2019	811,595.86	811,595.86	926,475.00	114,879.14
03/01/2020	811,395.64	811,395.64	926,275.00	114,879.36
03/01/2021	815,396.12	815,396.12	930,275.00	114,878.88
03/01/2022	818,395.46	818,395.46	933,275.00	114,879.54
03/01/2023	815,396.06	815,396.06	930,275.00	114,878.94
03/01/2024	816,595.60	816,595.60	931,475.00	114,879.40
03/01/2025	811,021.14	811,021.14	925,900.00	114,878.86
03/01/2026	818,820.78	818,820.78	933,700.00	114,879.22
03/01/2027	819,289.56	819,289.56	934,168.76	114,879.20
03/01/2028	818,445.58	818,445.58	933,325.00	114,879.42
03/01/2029	815,371.08	815,371.08	930,250.00	114,878.92
03/01/2030	812,120.92	812,120.92	927,000.00	114,879.08
03/01/2031	822,120.66	822,120.66	937,000.00	114,879.34
03/01/2032	-	-	(2,771.16)	(2,771.16)
Total	**$11,422,160.54**	**$11,422,160.54**	**$13,027,697.60**	**$1,605,537.06**

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	2,052,171.47
Effects of changes in DSR investments	(670,384.67)
Net PV Cashflow Savings @ 2.300%(Bond Yield)	1,381,786.80
Transfers from Prior Issue Debt Service Fund	(1,976.66)
Contingency or Rounding Amount	0.25
Net Present Value Benefit	$1,379,810.39
Net PV Benefit / $9,920,000 Refunded Principal	13.909%
Net PV Benefit / $9,746,381 Refunding Principal	14.157%

Refunding Bond Information

Refunding Dated Date	7/06/2017
Refunding Delivery Date	7/06/2017

$9,746,381.00

Woodland Finance Authority
Wastewater Revenue Bonds
Series 2017 (Ref 2009) Private Placement at 2.3%

Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
07/06/2017	-	-	-	0.57	-	0.57
09/01/2017	201,744.00	0.850%	18,793.87	220,537.87	220,537.50	0.94
03/01/2018	646,141.00	1.090%	64,395.91	710,536.91	710,537.50	0.35
09/01/2018	150,934.00	1.160%	59,803.53	210,737.53	210,737.50	0.38
03/01/2019	9,581,809.00	1.230%	58,928.12	9,640,737.12	9,640,737.50	-
Total	**$10,580,628.00**	**-**	**$201,921.43**	**$10,782,550.00**	**$10,782,550.00**	**-**

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Bond Yield
Cash Deposit	0.57
Cost of Investments Purchased with Bond Proceeds	10,580,628.00
Total Cost of Investments	$10,580,628.57
Target Cost of Investments at bond yield	$10,408,146.29
Actual positive or (negative) arbitrage	(172,482.28)
Yield to Receipt	1.2267045%
Yield for Arbitrage Purposes	2.3002082%
State and Local Government Series (SLGS) rates for	6/01/2017

$9,746,381.00

Woodland Finance Authority
Wastewater Revenue Bonds
Series 2017 (Ref 2009) Private Placement at 2.3%

Escrow Summary Cost

Maturity	Type	Coupon	Yield	$ Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost
Escrow								
09/01/2017	SLGS-CI	0.850%	0.850%	100.0000000%	201,744	201,744.00	-	201,744.00
03/01/2018	SLGS-CI	1.090%	1.090%	100.0000000%	646,141	646,141.00	-	646,141.00
09/01/2018	SLGS-NT	1.160%	1.160%	100.0000000%	150,934	150,934.00	-	150,934.00
03/01/2019	SLGS-NT	1.230%	1.230%	100.0000000%	9,581,809	9,581,809.00	-	9,581,809.00
Subtotal		**-**	**-**	**-**	**$10,580,628**	**$10,580,628.00**	**-**	**$10,580,628.00**
Total		**-**	**-**	**-**	**$10,580,628**	**$10,580,628.00**	**-**	**$10,580,628.00**

Escrow

Cash Deposit	0.57
Cost of Investments Purchased with Bond Proceeds	10,580,628.00
Total Cost of Investments	$10,580,628.57

Delivery Date	7/06/2017

$12,115,000.00

Woodland Finance Authority
Wastewater Revenue Bonds (Second Senior Lien)
Series 2009 (Bank Qualified)

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
09/01/2017	-	220,537.50	220,537.50	-	-	220,537.50	220,537.50
03/01/2018	490,000.00	220,537.50	710,537.50	490,000.00	4.000%	220,537.50	710,537.50
09/01/2018	-	210,737.50	210,737.50	-	-	210,737.50	210,737.50
03/01/2019	9,430,000.00	210,737.50	9,640,737.50	505,000.00	4.000%	210,737.50	715,737.50
09/01/2019	-	-	-	-	-	200,637.50	200,637.50
03/01/2020	-	-	-	525,000.00	4.000%	200,637.50	725,637.50
09/01/2020	-	-	-	-	-	190,137.50	190,137.50
03/01/2021	-	-	-	550,000.00	4.000%	190,137.50	740,137.50
09/01/2021	-	-	-	-	-	179,137.50	179,137.50
03/01/2022	-	-	-	575,000.00	4.000%	179,137.50	754,137.50
09/01/2022	-	-	-	-	-	167,637.50	167,637.50
03/01/2023	-	-	-	595,000.00	4.000%	167,637.50	762,637.50
09/01/2023	-	-	-	-	-	155,737.50	155,737.50
03/01/2024	-	-	-	620,000.00	4.125%	155,737.50	775,737.50
09/01/2024	-	-	-	-	-	142,950.00	142,950.00
03/01/2025	-	-	-	640,000.00	4.250%	142,950.00	782,950.00
09/01/2025	-	-	-	-	-	129,350.00	129,350.00
03/01/2026	-	-	-	675,000.00	4.375%	129,350.00	804,350.00
09/01/2026	-	-	-	-	-	114,584.38	114,584.38
03/01/2027	-	-	-	705,000.00	4.375%	114,584.38	819,584.38
09/01/2027	-	-	-	-	-	99,162.50	99,162.50
03/01/2028	-	-	-	735,000.00	4.500%	99,162.50	834,162.50
09/01/2028	-	-	-	-	-	82,625.00	82,625.00
03/01/2029	-	-	-	765,000.00	5.000%	82,625.00	847,625.00
09/01/2029	-	-	-	-	-	63,500.00	63,500.00
03/01/2030	-	-	-	800,000.00	5.000%	63,500.00	863,500.00
09/01/2030	-	-	-	-	-	43,500.00	43,500.00
03/01/2031	-	-	-	850,000.00	5.000%	43,500.00	893,500.00
09/01/2031	-	-	-	-	-	22,250.00	22,250.00
03/01/2032	-	-	-	890,000.00	5.000%	22,250.00	912,250.00
Total	**$9,920,000.00**	**$862,550.00**	**$10,782,550.00**	**$9,920,000.00**	**-**	**$4,044,968.76**	**$13,964,968.76**

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	7/06/2017
Average Life	8.445 Years
Average Coupon	4.6455290%
Weighted Average Maturity (Par Basis)	8.445 Years
Weighted Average Maturity (Original Price Basis)	8.445 Years

Refunding Bond Information

Refunding Dated Date	7/06/2017
Refunding Delivery Date	7/06/2017

$9,746,381.00

Woodland Finance Authority
Wastewater Revenue Bonds
Series 2017 (Ref 2009) Private Placement at 2.3%

Summary Of Bonds Refunded

Issue	Maturity	Type	of Bond	Coupon	Maturity Value	Call Date	Call Price
Dated 11/05/2009 | Delivered 11/05/2009							
Series 2009	03/01/2018	Serial	Coupon	4.000%	490,000	-	-
Series 2009	03/01/2019	Serial	Coupon	4.000%	505,000	-	-
Series 2009	03/01/2020	Serial	Coupon	4.000%	525,000	03/01/2019	100.000%
Series 2009	03/01/2021	Serial	Coupon	4.000%	550,000	03/01/2019	100.000%
Series 2009	03/01/2022	Serial	Coupon	4.000%	575,000	03/01/2019	100.000%
Series 2009	03/01/2023	Serial	Coupon	4.000%	595,000	03/01/2019	100.000%
Series 2009	03/01/2024	Serial	Coupon	4.125%	620,000	03/01/2019	100.000%
Series 2009	03/01/2025	Serial	Coupon	4.250%	640,000	03/01/2019	100.000%
Series 2009	03/01/2026	Serial	Coupon	4.375%	675,000	03/01/2019	100.000%
Series 2009	03/01/2027	Serial	Coupon	4.375%	705,000	03/01/2019	100.000%
Series 2009	03/01/2028	Serial	Coupon	4.500%	735,000	03/01/2019	100.000%
Series 2009	03/01/2029	Term 1	Coupon	5.000%	765,000	03/01/2019	100.000%
Series 2009	03/01/2030	Term 1	Coupon	5.000%	800,000	03/01/2019	100.000%
Series 2009	03/01/2031	Term 1	Coupon	5.000%	850,000	03/01/2019	100.000%
Series 2009	03/01/2032	Term 1	Coupon	5.000%	890,000	03/01/2019	100.000%
Subtotal	-			-	**$9,920,000**	-	-
Total	-			-	**$9,920,000**	-	-

CITY COUNCIL OF THE CITY OF WOODLAND

RESOLUTION NO. ______

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND APPROVING THE FORMS OF AND AUTHORIZING EXECUTION AND DELIVERY OF A BOND ISSUANCE AGREEMENT, A LETTER AGREEMENT FOR PURCHASE, AND A FIRST AMENDMENT TO INSTALLMENT PURCHASE CONTRACT; AUTHORIZING THE ISSUANCE OF THE CITY OF WOODLAND WASTEWATER REVENUE REFUNDING BOND, SERIES 2017; AND APPROVING OTHER ACTIONS RELATED THERETO

WHEREAS, the Woodland Finance Authority (the "Authority") previously issued $12,115,000 principal amount of its Wastewater Revenue Bonds (Second Senior Lien) Series 2009 (the "Prior Bonds"), to finance and refinance improvements to the wastewater collection, treatment, and disposal facilities owned and operated by the City of Woodland (the "City");

WHEREAS, debt service on the Prior Bonds is secured by payments made by the City pursuant to the Installment Sale Agreement dated March 1, 2005, and as supplemented by the First Supplemental Installment Sale Agreement dated November 1, 2009, each between the City and the Authority (as so supplemented, the "Installment Sale Agreement");

WHEREAS, it is necessary and desirable that the City's obligations under the Installment Sale Agreement now be refinanced to achieve debt service savings;

WHEREAS, pursuant to Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and other applicable law, the City is authorized to issue bonds to refund the its obligations under the Installment Sale Agreement, which is an evidence of indebtedness that is payable from funds other than ad valorem taxes or assessments;

WHEREAS, to provide funds to prepay the City's obligations under the Installment Sale Agreement and thereby refund the Prior Bonds, the City intends to issue its Wastewater Revenue Refunding Bond, Series 2017 (the "Bond"), in a principal amount not to exceed $11,000,000;

WHEREAS, it appears to the City Council that the sale of the Bond by private sale to Compass Mortgage Corporation (the "Purchaser") will provide the most financially advantageous means to accomplish the refunding;

WHEREAS, in order to allow the City to make debt service payments on the Bond directly to the Purchaser, it is necessary to make an amendment to the Installment Purchase Contract dated March 1, 2014, between the City and the Authority;

WHEREAS, the following documents and proposed agreements relating to the issuance, sale and delivery of the Bond, which are incorporated herein by reference, have been presented to the City Council for its review and approval:

1. the Bond Issuance Agreement (the "Bond Issuance Agreement") made by the City, which will specify the terms of the Bond;

2. the Letter Agreement for Purchase (the "Purchase Agreement") between the City and Compass Mortgage Corporation (the "Purchaser"), whereby the City will sell the Bond to the Purchaser; and

3. the First Amendment to Installment Purchase Contract (the "First Amendment to Installment Purchase Contract") between the City and the Authority, which will make the necessary amendment to the Installment Purchase Contract;

WHEREAS, it appears to the City Council that the authorization, approval, execution, and delivery of the agreements described above or contemplated thereby or incidental thereto and the issuance, sale, and delivery of the Bond are desirable and in the best interests of the City;

NOW, THEREFORE, BE IT RESOLVED by the City Council as follows:

Section 1. Recitals. The foregoing recitals are true and correct and the City Council so finds and determines.

Section 2. Authorization of Officers to Execute and Deliver Documents. The City Council hereby authorizes and directs the Mayor, the City Manager, the Finance Director, and the City Clerk (the "Designated Officers"), for and in the name of the City, to approve, execute, and deliver the following agreements and documents:

a. the Bond Issuance Agreement;

b. the Letter Agreement for Purchase; and

c. the First Amendment to Installment Purchase Contract;

in substantially the form presented to the City Council at this meeting, which documents are hereby approved, with such changes, insertions, revisions, corrections, or amendments as shall be approved by the officer or officers executing the document for the City. The execution of the foregoing documents by a Designated Officer or Officers shall constitute conclusive evidence of such officer's or officers' and the City Council's approval of any such changes, insertions, revisions, corrections, or amendments to the respective forms of documents presented to the City Council at this meeting.

Section 3. Authorization to Issue the Bond. The City Council hereby authorizes the issuance of the Bond in a principal amount not to exceed $11,000,000. The date, respective amounts of principal installments or maturities, the interest rates, interest payment dates, denominations, forms, registration privileges, place or places of payment, terms of redemption, and other terms of the Bond, shall be as provided in the Bond Issuance Agreement as finally executed; provided that the net present value of the debt service savings produced by the refunding of the Prior Bonds shall be at least three percent (3.00%) of the par amount of the Prior Bonds to be refunded.

Section 4. Authorization of Sale. The City Council hereby authorizes the sale of the Bond to the Purchaser pursuant to the Letter Agreement for Purchase. The Designated Officers are hereby authorized and directed to negotiate with the Purchaser the final terms of the sale and its timing. The City Council hereby determines that the sale of the Bond by negotiation would result in an overall lower cost.

Section 5. Execution of the Bond. The Designated Officers are hereby authorized and directed to execute the Bond on behalf of the City.

Section 6. Retention of Municipal Advisor, Bond Counsel, and Placement Agent. Del Rio Advisors, LLC, is hereby appointed municipal advisor to the City for the issuance and sale of the Bond. Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation, is hereby appointed bond counsel to the City for the issuance and sale of the Bond. Hilltop Securities is hereby appointed as placement agent to the City for the issuance and sale of the Bond.

Section 7. General Authorization. The City Council hereby authorizes and directs the Designated Officers and other officers and agents of the City, and each of them individually, for and in the name of and on behalf of the City, to do any and all things and to execute and deliver any and all documents that they may deem necessary or advisable in order to complete the sale, issuance, and delivery of the Bond and otherwise to carry out, give effect to, and comply with the terms and intent of this resolution. All actions heretofore taken by such officers and agents that are in conformity with the purposes and intent of this resolution are hereby ratified, confirmed and approved in all respects.

Section 8. Effective Date. This resolution shall take effect immediately upon its adoption.

APPROVED, PASSED, AND ADOPTED this 20th day of June 2017 by the City Council of the City of Woodland by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

____
Angel Barajas, Mayor

ATTEST:

____
Ana Gonzalez, City Clerk

BOND ISSUANCE AGREEMENT

made by the

CITY OF WOODLAND

Dated July 1, 2017

Relating to the

$[PRINCIPAL AMOUNT]
City of Woodland
Wastewater Revenue Refunding Bond, Series 2017

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BOND ISSUANCE AGREEMENT

This BOND ISSUANCE AGREEMENT (the "Agreement"), dated July 1, 2017, is made by the CITY OF WOODLAND (the "City"), a municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of California, for the benefit of the Owners (as defined herein) from time to time of the bond issued hereunder (initially, Compass Mortgage Corporation, an Alabama corporation (the "Original Purchaser")).

RECITALS

1. The Woodland Finance Authority (the "Authority") previously issued $12,115,000 principal amount of its Wastewater Revenue Bonds (Second Senior Lien) Series 2009 (the "Prior Bonds"), to finance and refinance improvements to the wastewater collection, treatment, and disposal facilities owned and operated by the City of Woodland (the "City");

2. Debt service on the Prior Bonds is secured by payments made by the City pursuant to the Installment Sale Agreement dated November 1, 2005, as supplemented by the First Supplemental Installment Sale Agreement dated November 1, 2009, each between the City and the Authority (as so supplemented, the "Installment Sale Agreement");

3. Pursuant to Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Refunding Law") and other applicable law, the City is authorized to issue bonds to refund the its obligations under the Installment Sale Agreement, which is an evidence of indebtedness that is payable from funds other than ad valorem taxes or assessments;

4. The City Council, by its Resolution No. _____, adopted on June 20, 2017 (the "Resolution"), has determined to prepay the City's obligations under the Installment Sale Agreement and thereby refund the Prior Bonds and has authorized the issuance and sale of its Wastewater Revenue Refunding Bond, Series 2017 (the "Refunding Bond"), and the execution and delivery of this Agreement on behalf of the City.

5. The City now is fully authorized pursuant to the Refunding Law to issue the Refunding Bond.

6. The City has determined to enter into this Agreement in order to provide for the execution and delivery of the Refunding Bond, to establish and declare the terms and conditions upon which the Refunding Bond shall be issued and secured, and to secure the payment of the principal thereof and interest thereon.

7. The City has found and determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Agreement.

AGREEMENT

In order to secure the payment of the Refunding Bond and the performance and observance by the City of all the covenants, agreements and conditions herein and in the Refunding Bond contained, and in exchange for good and valuable consideration (including the payment of the purchase price of the Refunding Bond by the Original Purchaser), the receipt of which is hereby acknowledged, the City hereby agrees and covenants with and for the benefit of the Owners from time to time of the Refunding Bond, as follows:

ARTICLE 1
DEFINITIONS AND GENERAL PROVISIONS

Section 1.1. **Definitions.** Unless the context otherwise requires, the terms defined in this Section 1.1 have, for all purposes hereof and of any amendment hereof or supplement hereto and of the Refunding Bond and of any certificate, opinion, request or other document mentioned herein or therein, the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

2009 Installment Sale Agreement means the Installment Sale Agreement dated November 1, 2005, as supplemented by the First Supplemental Installment Sale Agreement dated November 1, 2009, each between the City and the Authority.

Accountant's Report means a report signed by an Independent Certified Public Accountant.

Accreted Value means, with respect to any Capital Appreciation Bonds or Capital Appreciation Certificates, as of the date of calculation, the initial amount thereof plus the interest accrued thereon to such date of calculation, compounded from the date of initial delivery at the approximate interest rate thereof on each compounding date, as determined in accordance with the table of accreted values for any Capital Appreciation Bonds or Capital Appreciation Certificates prepared by the City at the time of sale thereof, assuming in any year that such Accreted Value increases in equal daily amounts on the basis of a year of three hundred sixty (360) days composed of twelve (12) months of thirty (30) days each.

Agreement means this agreement made by the City.

Annual Debt Service means the total of Debt Service with respect to the City Revenue Bonds or Contracts to which reference is made coming due in the Fiscal Year to which reference is made.

Applicable Environmental Laws means and includes, but is not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 USC Sections 9601 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 USC Sections 6901 et seq.; the Federal Water Pollution Control Act, 33 USC Sections 1251 et seq.; the Clean Air Act, 42 USC Sections 7401 et seq.; the California Hazardous Waste Control Law ("HWCL"), California Health & Safety Code Sections 25100 et seq.; the Hazardous Substance Account Act ("HSAA"), California Health & Safety Code Sections 25300 et seq.; the Porter- Cologne Water Quality Control Act (the "Porter-Cologne Act"), California Water Code Sections 1300 et seq.; the Air Resources Act, California Health & Safety Code Sections 3900 et seq.; the Safe Drinking Water

& Toxic Enforcement Act, California Health & Safety Code Sections 25249.5 et seq.; and the regulations under each thereof; and any other local, state, and/or federal laws or regulations, whether currently in existence or hereafter enacted, that govern:

(a) the existence, cleanup, and/or remedy of contamination on property;

(b) the protection of the environment from spilled, deposited, or otherwise emplaced contamination;

(c) the control of hazardous wastes; or

(d) the use, generation, transport, treatment, removal, or recovery of Hazardous Substances, including building materials.

Authority means the Woodland Finance Authority created pursuant to the Act and its successors and assigns in accordance herewith.

Business Day means any day of the week other than a Saturday or a Sunday or a day on which banks in the State are not required or authorized to remain closed and on which the New York Stock Exchange is open for business.

Capital Appreciation Bonds means any bonds described as such when issued and with respect to which interest thereon is compounded and paid at maturity or on prior redemption.

Capital Appreciation Certificates means any certificates of participation in Installment Payments described as such when issued and with respect to which interest represented thereby is compounded and paid at maturity or on prior redemption.

Certificates means any certificates of participation, executed and delivered under and pursuant to a trust agreement, representing interests in payments to be made by the City, which payments are payable from Net Wastewater Revenues on a parity with the payment of the Installment Payments.

City Revenue Bonds means all revenue bonds of the City authorized, executed, issued and delivered by the City under and pursuant to applicable law, the interest and principal and redemption premium, if any, payments under and pursuant to which are payable from Net Wastewater Revenues on a parity with the payment of the Installment Payments. The Refunding Bond is a City Revenue Bond.

Code means the Internal Revenue Code of 1986, as the same is hereafter amended, and any regulations heretofore issued or that are hereafter issued by the United States Department of the Treasury thereunder.

Contracts means all installment sale contracts, capital leases or similar obligations of the City authorized and executed by the City under and pursuant to applicable law, the interest and principal and prepayment premium, if any, payments under and pursuant to which are payable from Net Wastewater Revenues on a parity with the payment of the Installment Payments. The Installment Purchase Contract is a Contract. An O&M Obligation shall be deemed not to be a Contract.

Coverage Report means a debt service coverage report signed by an Independent Certified Public Accountant, an Independent Engineer, or an Independent Financial Consultant and filed with the City pursuant to Section 5.4 (Additional Contracts and City Revenue Bonds) of the Installment Purchase Contract.

Debt Service means, for any Fiscal Year, the sum of:

(1) with respect to City Revenue Bonds:

(a) the interest accruing during such Fiscal Year on all outstanding City Revenue Bonds, assuming that all outstanding Serial Bonds are retired as scheduled and that all outstanding Term Bonds are redeemed or paid from sinking fund payments as scheduled (except to the extent that such interest is to be paid from the proceeds of sale of any bonds),

(b) that portion of the principal amount of all outstanding Serial Bonds maturing on the next succeeding principal payment date that would have accrued during such Fiscal Year if such principal amount were deemed to accrue daily in equal amounts from the next preceding principal payment date or during the year preceding the first principal payment date, as the case may be,

(c) that portion of the principal amount of all outstanding Term Bonds required to be redeemed or paid on the next succeeding redemption date (together with the redemption premiums, if any, thereon) that would have accrued during such Fiscal Year if such principal amount (and redemption premiums) were deemed to accrue daily in equal amounts from the next preceding redemption date or during the year preceding the first redemption date, as the case may be, and

(2) with respect to Contracts, that portion of the Installment Payments required to be made at the times provided in the Contracts that would have accrued during such Fiscal Year if such Installment Payments were deemed to accrue daily in equal amounts from, in each case, the next preceding Installment Payment Date of interest or principal or the date of the pertinent Contract, as the case may be;

provided, that:

(a) Accreted Value: if any of such City Revenue Bonds are Capital Appreciation Bonds or if the Installment Payments due under any of such Contracts are evidenced by Capital Appreciation Certificates, then the Accreted Value payment shall be deemed a principal payment and interest that is compounded and paid as Accreted Value shall be deemed due on the scheduled redemption or payment date of such Capital Appreciation Bond or Capital Appreciation Certificate;

(b) Variable Rates: if any of such City Revenue Bonds or if the Installment Payments due under any such Contracts bear interest payable pursuant to a variable interest rate formula, the interest rate on such City Revenue Bonds or Contracts for periods when the actual interest rate cannot yet be determined, shall be assumed to be equal to the greater of:

(i) the actual rate on the date of calculation, or if such Contracts or City Revenue Bonds are not yet outstanding, the initial rate (if then established and binding), and

(ii) if the Contracts or City Revenue Bonds have been outstanding for at least twelve (12) months, the average rate over the twelve (12) months immediately preceding the date of calculation, and

(c) Debt Secured by Letter of Credit: if any of such Contracts or City Revenue Bonds are secured by an irrevocable letter of credit issued by a bank having a combined capital and surplus of at least one hundred million dollars ($100,000,000), the principal payments or deposits with respect to such Contracts or City Revenue Bonds nominally due in the last Fiscal Year in which such Contracts or City Revenue Bonds mature may, at the option of the City, be treated as if they were due as specified in any loan agreement or reimbursement agreement issued in connection with such letter of credit or pursuant to the repayment provisions of such letter of credit and interest on such Contracts or City Revenue Bonds after such Fiscal Year shall be assumed to be payable pursuant to the terms of such loan agreement or reimbursement agreement or repayment provisions;

(d) Balloon Debt: if any of such Contracts or City Revenue Bonds are not secured by a letter of credit as described in clause (c) of this definition and 20% or more of the original principal of such Bonds or City Revenue Bonds or the Installment Payments due under such Contracts is not due until the final stated maturity of such Bonds or City Revenue Bonds or the Installment Payments due under such Contracts, such principal may, at the option of the Authority or the City, be treated as if it were due based upon a level amortization of such principal over the term of such City Revenue Bonds or Installment Payments or thirty (30) years, whichever is greater;

(e) Paired Obligations: (i) if any of such Contracts or City Revenue Bonds bear interest at a variable rate and the payments received and made by the City under a Financial Products Agreement with respect to such Contracts or City Revenue Bonds are expected to produce a fixed rate to be paid by the City, then such Contracts or City Revenue Bonds together with the Financial Products Agreement shall be treated as a single obligation of the City that bears interest at such fixed rate; or (ii) if any such Contracts or City Revenue Bonds bear interest at a fixed rate and the payments received and made by the City under a Financial Products Agreement with respect to such Contracts or City Revenue Bonds are expected to produce a variable rate to be paid by the City, then such Contracts or City Revenue Bonds together with the Financial Products Agreement shall be treated as a single obligation of the City that bears interest at such variable rate;

(f) Deduction of Available Amounts: principal and interest payments with respect to Contracts or City Revenue Bonds shall be excluded to the extent such payments are to be paid from (i) amounts on deposit with a trustee or other fiduciary in escrow specifically therefor, (ii) the proceeds of Contracts or City Revenue Bonds held by a trustee or other fiduciary as funded (capitalized) interest specifically to pay such interest, or (iii) amounts received or expected to be received from a governmental entity that are related to the payment thereof (such as refundable credits payable by the U.S. Treasury);

(g) Available Reserve Amounts: the amount on deposit in a debt service reserve fund with respect to Contracts or City Revenue Bonds on any date of calculation of Debt Service shall be deducted from the amount of principal due at the final maturity of such Contracts or City Revenue Bonds; and, to the extent the amount in such debt service reserve fund is in excess of such amount of principal, such excess shall be applied to the full amount of principal due, in each preceding year, in inverse order of due date, until such amount is exhausted.

Default Rate means the rate of interest specified in Section 3.2(C) (Terms and Form of the Refunding Bond – Default Rate).

Defeasance Securities means (a) direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America, (b) obligations fully and unconditionally guaranteed as to timely payment of the interest and principal by the United States of America, (c) obligations of any agency or instrumentality of the United States of America as to which the timely payment of the interest on and the principal of such obligations is backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

Engineer's Report means a report signed by an Independent Engineer.

Escrow Agreement means the Escrow Agreement dated July 1, 2017, between the Authority and U.S. Bank National Association, as escrow agreement.

Financial Products Agreement means an interest rate swap, cap, collar, option, floor, forward or other hedging agreement, arrangement or security, however denominated, identified in a Certificate of the City as having been entered into with a Qualified Provider not for investment purposes but with respect to City Revenue Bonds or Contracts (which City Revenue Bonds or Contracts shall be specifically identified in the Certificate of the City) for the purpose of (1) reducing or otherwise managing the risk of interest rate changes or (2) effectively converting interest rate exposure, in whole or in part, from a fixed rate exposure to a variable rate exposure or from a variable rate exposure to a fixed rate exposure.

Fiscal Year means the twelve-month period terminating on June 30 of each year, or any other annual accounting period hereafter selected and designated by the City as its Fiscal Year in accordance with applicable law.

Generally Accepted Accounting Principles means the uniform accounting and reporting procedures set forth in publications of the Financial Accounting Standards Board or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor.

Governmental Authority means any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other person with authority to bind a party at law.

Hazardous Substance means any substance that is, at any time, listed as "hazardous" or "toxic" in any Applicable Environmental Law or that is determined at any time by any agency or court to be a hazardous or toxic substance regulated under Applicable Environmental Laws and also means, without limitation, raw materials, building components, the products of any manufacturing, or other activities on the Wastewater System, wastes, petroleum, and source, special nuclear, or by-product material as defined by the Atomic Energy Act of 1954, as amended (42 USC Sections 3011 et seq.).

Independent Certified Public Accountant means any certified public accountant or firm of such accountants duly licensed and entitled to practice and practicing as such under the laws of the State or a comparable successor, appointed and paid by the City, and who, or each of whom:

(1) is in fact independent according to the Statement of Auditing Standards No. 1 and not under the domination of the City;

(3) does not have a substantial financial interest, direct or indirect, in the operations of the City; and

(4) is not connected with the City as a member, officer or employee of the City, but who may be regularly retained to audit the accounting records of and make reports thereon to the City.

Independent Engineer means a registered engineer or firm of registered engineers generally recognized to be well-qualified in engineering matters relating to wastewater systems, appointed and paid by the City, and who:

(1) is in fact independent and not under the domination of the City or any member thereof;

(2) does not have a substantial financial interest, direct or indirect, in the operations of the City; and

(3) is not connected with the City as an officer or employee of the City or any member thereof, but who may be regularly retained to make reports to the City.

Independent Financial Consultant means a financial consultant qualified in the field of municipal finance, appointed and paid by the City, and who:

(1) is in fact independent and not under the domination of the City or any member thereof;

(2) does not have a substantial financial interest, direct or indirect, in the operations of the City; and

(3) is not connected with the City as an officer or employee of the City or any member thereof, but who may be regularly retained to make reports to the City.

Installment Payment Date means any date on which Installment Payments are scheduled to be paid by the City under and pursuant to any Contract.

Installment Payments means the installment sale, rental or other periodic payments scheduled to be paid by the City under and pursuant to the Contracts.

Installment Purchase Contract means the Installment Purchase Contract dated March 1, 2014, between the Authority and the City, as originally executed and as it may from time to time be amended or supplemented pursuant to the provisions hereof and thereof.

Insurance Consultant means an individual or firm, employed by the City, including the Risk Manager of the City, that has actuarial-experienced personnel in the field of risk management.

Interest Payment Date means March 1 and September 1 of each year, commencing September 1, 2017.

Letter Agreement for Purchase means the agreement between the City and the Original Purchaser for the purchase of the Refunding Bond.

Letter of Representations means a letter substantially in the form attached to the Letter Agreement delivered by the Original Purchaser and any subsequent purchaser of the Refunding Bond to the City.

Material Adverse Effect means a consequence that is materially adverse to (a) the assets, liabilities, condition (financial or otherwise), business, facilities or operations of the Wastewater System, (b) the ability of the City to carry out the business of the Wastewater System in the manner conducted as of the date of this Agreement or to meet or perform its obligations under this Agreement on a timely basis, or (c) the validity or enforceability of this Agreement.

Material Governmental Proceedings means any investigation, inquiry, or similar proceeding by any Governmental Authority that may have a Material Adverse Effect.

Material Litigation means any action, suit, proceeding, inquiry or investigation against the Agency in any court or before any arbitrator of any kind or before or by any Governmental Authority, that (i) if determined adversely to the City, may have a Material Adverse Effect, (ii) seeks to restrain or enjoin any of the transactions contemplated by this Agreement, or (iii) may adversely affect (A) the exclusion of interest on the Refunding Bond from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes or (B) the ability of the City to perform its obligations under this Agreement.

Net Proceeds means, when used with respect to any insurance or condemnation award, the proceeds from such insurance or condemnation award remaining after payment of all reasonable expenses (including attorneys' fees) incurred in the collection of such proceeds.

Net Wastewater Revenues means, for any Fiscal Year, the Wastewater Revenues during such Fiscal Year less the Operation and Maintenance Costs during such Fiscal Year.

Operation and Maintenance Costs means (1) the reasonable and necessary costs paid or incurred by the City for maintaining and operating the Wastewater System, determined in accordance with Generally Accepted Accounting Principles, including (without limitation) all reasonable expenses of maintenance and repair and other expenses necessary to maintain and preserve the Wastewater System in good repair and working order, and all administrative costs of the City that are charged directly or apportioned to the operation of the Wastewater System, such as salaries and wages of employees, overhead, taxes (if any) and insurance premiums, and including all other reasonable and necessary costs of the City or charges required to be paid by it to comply with the terms hereof or of any resolution authorizing the issuance of any City Revenue Bonds or of such City Revenue Bonds, or of any resolution authorizing the execution of any Contract or of such Contract, such as compensation, reimbursement and indemnification of the trustee for any such City Revenue Bonds or Contracts and fees and expenses of Independent Certified Public Accountants, Independent Engineers, Independent Financial Consultants, Insurance Consultants, and the City's financial advisor, and (2) all payments under an O&M Obligation; but excluding in all cases (a) depreciation, replacement and obsolescence charges or reserves therefor, amortization of intangibles, losses or gains on subsidiaries accounted for on any equity basis, or other bookkeeping entries of a similar nature, (b) intergovernmental transfers by the City that are not reimbursements or payments for overhead or other administrative expenses incurred by the City, and (c) all interest charges and charges for the payment of principal or amortization of bonded or other indebtedness of the City.

Opinion of Counsel means a written opinion of counsel experienced in the field of law relating to municipal bonds, appointed and paid by the City.

Original Purchaser means Compass Mortgage Corporation.

Owner means the person in whose name the Refunding Bond is registered.

O&M Obligation means a contract entered into by the City with the State or the United States of America the payments under which are secured by a pledge of Wastewater Revenues but that does not include a covenant restricting the issuance of additional obligations or require the City to maintain rates and charges in amounts any greater than required to meet the repayment obligations under such contract.

Qualified Provider means any financial institution or insurance company that is a party to a Financial Products Agreement. The general unsecured obligations of any Qualified Provider must have a long-term rating of A or better from Standard & Poor's and of A2 from Moody's.

Rate Stabilization Fund means the fund by that name established pursuant to Section 5.8 (Rate Stabilization Fund).

Record Date means the 15th day of the month preceding any Interest Payment Date. The first Record Date is August 15, 2017.

Redemption Price means the principal amount of the Refunding Bond called for redemption plus the applicable premium, if any, payable upon redemption thereof, plus interest accrued to the date fixed for redemption.

Refunding Bond means the City of Woodland Wastewater Revenue Refunding Bond, Series 2017, issued hereunder.

Refunding Law means Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and other applicable law.

Serial Bonds means Bonds or City Revenue Bonds for which no scheduled mandatory redemptions are provided.

State means the State of California.

SWRCB Loans means the Installment Sale Agreements (Agreements Nos. 14-805-550, 14-806-550, and 14-807-550), each between the City and the California State Water Resources Control Board, and dated as of July 9, 2014.

Tax Certificate means the Tax Certificate concerning certain matters pertaining to the use of proceeds of the Refunding Bond, executed and delivered by the City on the date of issuance of the Refunding Bond, including all exhibits attached thereto, as such certificate may from time to time be modified or supplemented in accordance with the terms thereof.

Term Bonds means Bonds or City Revenue Bonds that are subject to scheduled mandatory redemptions on or before their respective maturities calculated to retire such bonds on or before their specified maturity dates.

Wastewater Revenues means all gross income and revenue received or receivable by the City from the ownership or operation of the Wastewater System, determined in accordance with Generally Accepted Accounting Principles, including, without limiting the generality of the foregoing:

(1) all rates, fees and charges (including connection fees and charges) received by the City for the Wastewater Service and the other services of the Wastewater System and all other income and revenue howsoever derived by the City from the ownership or operation of the Wastewater System or arising from the Wastewater System (including developer impact fees for Wastewater System facilities),

(2) the earnings on and income derived from the investment of all such income, rates, fees, charges, or other moneys to the extent that the use of such earnings and income is limited to the Wastewater System by or pursuant to law,

(3) the proceeds derived by the City directly or indirectly from the sale, lease, or other disposition of a part of the Wastewater System,

(4) the payments received under a Financial Products Agreement, and

(5) deposits to the Wastewater Revenue Fund from amounts on deposit in the Rate Stabilization Fund, but only as and to the extent specified in Section 5.8 (Rate Stabilization Fund),

but excluding in all cases any proceeds of taxes and any refundable deposits made to establish credit and advances or contributions in aid of construction.

Wastewater Service means the sewage and wastewater conveyance, treatment and disposal service furnished, made available or provided by the Wastewater System.

Wastewater System means all facilities for the conveyance, treatment and disposal of sewage and wastewater now owned by the City and all other properties, structures or works hereafter acquired and constructed by the City and determined to be a part of the Wastewater System, together with all additions, betterments, extensions or improvements to such facilities, properties, structures or works or any part thereof hereafter acquired and constructed.

Section 1.2. **Effect of Headings and Table of Contents**. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, are solely for convenience of reference and do not affect the meaning, construction, or effect of this Agreement.

Section 1.3. **Successors and Assigns**. Whenever in this Agreement the City is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Agreement contained by or on behalf of the City bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 1.4. **Benefits of Agreement**. Nothing in this Agreement or in the Refunding Bond expressed or implied is intended or shall be construed to give to any person other than the City and the Owner of the Refunding Bond, any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the City and the Owner of the Refunding Bond.

Section 1.5. **Payments/Actions Otherwise Scheduled on Non-Business Days**. Except as specifically set forth in a Supplemental Agreement, any payments or transfers that would otherwise become due on any day that is not a Business Day shall become due or shall be made on the next succeeding Business Day. When any other action is provided for herein to be done on a day named or within a specified time period and the day named or the last day of the specified period falls on a day other than a Business Day, such action may be performed on the next succeeding Business Day with the same effect as though performed on the appointed day or within the specified period.

Section 1.6. **No Personal Liability for Debt Service**. No member of the City Council, officer, agent, or employee of the City is individually or personally liable for the payment of the principal of or interest on the Refunding Bond or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained relieves any such member of the City Council, officer, agent, or employee of the City from the performance of any official duty provided by law or by this Agreement.

Section 1.7. **Separability Clause**. If any one or more of the provisions contained in this Agreement or in the Refunding Bond is for any reason held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement and such invalidity, illegality, or unenforceability does not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The City hereby declares that it would have adopted this Agreement and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issuance of the Refunding Bond pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Agreement may be held illegal, invalid, or unenforceable.

Section 1.8. **Governing Law**. This Agreement is governed by and shall be construed in accordance with the laws of the State.

Section 1.9. **Counterparts**. This Agreement may be signed in several counterparts, each of which will constitute an original, but all of which constitute one and the same instrument.

Section 1.10. **Notices**. Unless otherwise specified herein, all notices, statements, orders, requests or other communications hereunder by any party to another shall be in writing and are sufficiently given and served upon the other party if delivered personally or if mailed by United States registered or certified mail, return receipt requested, postage prepaid, or if given by fax, electronically, or other means of written communication and confirmed by mail. Notices to the City and the Original Purchaser shall be addressed:

If to the City:	City of Woodland 300 First Street Woodland, CA 95695
If to the Original Purchaser:	Compass Mortgage Corporation Northern California Commercial Banking 1490 Stone Point Drive, Suite 250 Roseville, CA 95661

ARTICLE 2
REPRESENTATIONS OF THE CITY

Section 2.1. **Representations of the City.** The City makes the following representations:

(A) Due Organization and Existence. The City is a municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of California.

(B) Authority. The City has full legal right, power and authority to issue the Refunding Bond and to carry out its obligations hereunder.

(C) Execution and Delivery. The City has duly authorized and executed this Agreement in accordance with the Constitution and laws of the State.

(D) No Material Breach or Material Default; No Liens or Encumbrances. Neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, results in a material breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is now a party or by which the City is bound, or constitutes a material default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the City.

(E) Existing Pledges of Net Wastewater Revenues. With the exception of the pledge of the Net Wastewater Revenues securing the Installment Payments under the Installment Purchase Contract and the SWRCB Loans, the Net Wastewater Revenues have not otherwise been pledged and there are no other liens against the Net Wastewater Revenues.

(F) No Defaults. The City is not currently, and has not been at any time, in default under the 2009 Installment Sale Agreement, the Installment Purchase Contract, or any other outstanding Contracts.

(G) Financial Condition. The City's audited financial statements for the period ended June 30, 2016, present fairly the financial condition of the City and the Wastewater System as of the date hereof and the results of operation for the period covered thereby. Except as has been disclosed to the Original Purchaser, there has been no change in the financial condition of the City or the Wastewater System since June 30, 2016, that will in the reasonable opinion of the City materially impair its ability to perform its obligations under this Agreement. All information provided by the City to the Original Purchaser with respect to the financial performance of the Wastewater System is accurate in all material respects as of its respective date and does not omit any information necessary to make the information provided not misleading.

(H) Role of Original Purchaser. The City acknowledges that: (a) the Original Purchaser is acting solely as purchaser of the Refunding Bond for its own account and not as a fiduciary for the City or in the capacity of broker, dealer, municipal securities underwriter or municipal advisor; (b) the Original Purchaser has not provided, and will not provide, financial, legal (including securities law), tax, accounting or other advice to or on behalf of the City (including to any financial advisor or placement agent engaged by the City) with respect to the issuance of the Refunding Bond; (c) each of the City, its financial advisor (if any), and its placement agent will seek and obtain financial, legal (including securities law), tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to the issuance of the Refunding Bond from its financial, legal, and other advisors (and not the Original Purchaser) to the extent that the City, its financial advisor (if any), or its placement agent desires, should, or needs to obtain such advice. The City acknowledges that the Original Purchaser has expressed no view regarding the legal sufficiency of its representations for purposes of compliance with any legal requirements applicable to any other party, including but not limited to the City's financial advisor (if any) or placement agent, or the correctness of any legal interpretation made by counsel to any other party, including but not limited to counsel to the City's financial advisor or placement agent, with respect to any such matters.

(I) No Litigation. As of the date hereof, there is no action, suit, proceeding or investigation before or by any court, public board or body pending against the City or, to the best knowledge of the City, threatened, wherein an unfavorable decision, ruling or finding would: (i) affect the creation, organization, existence or powers of the City, or the titles of its members or officers, (ii) enjoin or restrain the issuance, sale or delivery of the Refunding Bond, the payment of debt service thereon from Net Wastewater Revenues, or the levy of taxes for the payment of debt service thereon, (iii) in any way question or affect any of the rights, powers, duties or obligations of the City with respect to the Net Wastewater Revenues or taxes to be used to pay debt service on the Refunding Bond, (iv) in any way question or affect any authority for the issuance of the Refunding Bond or the validity or enforceability of the Refunding Bond or this Agreement, or (v) otherwise materially adversely affect the transactions contemplated hereby.

(J) Consents. There is no consent, approval, authorization or other order of, or filing or registration with, or certification by, any regulatory authority having jurisdiction over the City required for the execution and delivery of this Agreement or the issuance, sale, and delivery of the Refunding Bond or the consummation by the City of the other transactions contemplated hereby that has not been obtained.

(K) Regulatory Compliance. As currently conducted, the City's activities with respect to the Wastewater System are in all material respects in compliance with all applicable laws, administrative regulations of the State and of the United States and any agency or instrumentality of either, and any judgment or decree to which the City is subject.

ARTICLE 3
THE REFUNDING BOND

Section 3.1. **Authorization and Title**. The City hereby authorizes the issuance of a revenue refunding bond in the aggregate principal amount of $[PRINCIPAL AMOUNT]. The title of the Refunding Bond is "City of Woodland Wastewater Revenue Refunding Bond, Series 2017." At any time after the execution and delivery of this Agreement, the City may execute and deliver the Refunding Bond.

Section 3.2. **Terms and Form of the Refunding Bond**.

(A) Form and Registration. The Refunding Bond shall be issued in the form of a single, fully-registered installment bond in substantially the form attached hereto as Exhibit A. The Refunding Bond shall be registered initially in the name of Compass Mortgage Corporation, the Original Purchaser, and shall not be delivered in book-entry form.

(B) Date; Interest Accrual; Interest Rates; Payments. The Refunding Bond shall be dated its date of delivery, and, subject to subsection (C) (Default Rate) of this section, shall bear interest on the unpaid principal amount thereof from its date to March 1, 2031, at the rate of ____% per annum. The City shall pay installments of principal on the Refunding Bond in the following amounts on the following dates (subject to adjustment in the event of a partial redemption as described below) and installments of interest in the following amounts (subject to increase as provided in subsection (D) (Default Rate) of this section and reduction in the case of a partial redemption of the Refunding Bond) on the following dates:

Date	Principal	Interest	Total

Interest on the Refunding Bond shall be calculated on the basis of a 360-day year comprising twelve 30-day months.

(C) Default Rate. Upon the occurrence and continuation of an Event of Default, the unpaid principal balance of the Refunding Bond shall, if elected by the Owner, bear interest at a rate per annum not greater than ____% (the "Default Rate"), to the extent such increased rate is permitted by law. The Owner shall notify the City of its election and the rate per annum to be applied as the Default Rate. If so imposed by the Owner , the Default Rate shall remain in effect until such time as the applicable Event of Default is cured to the satisfaction of the Owner. Any unpaid interest on the Bond, including Default Rate interest, shall accrue until paid.

(D) Principal and Interest Payments. The City shall take all steps required by law to ensure that the principal and interest installments on the Refunding Bond are paid in lawful money of the United States of America on each payment date to the Owner thereof at the close of business on the Record Date. The City shall pay principal of and interest on the Refunding Bond when due by wire transfer in immediately available funds to the Owner in accordance with such wire transfer instructions as are filed by the Owner with the City from time to time. Payments of principal of the Refunding Bond shall be made without the requirement for presentation and surrender of the Refunding Bond by the Owner, provided that principal of the Refunding Bond that is payable at final maturity shall be made only upon presentation and surrender of the Refunding Bond at the office of the City. The City is not required to give notice to the Owner of the installments of principal of and interest on the Refunding Bond under subsection (B) of this Section 3.2 (Terms and Form of the Refunding Bond).

(E) Cessation of Interest Accrual. Interest on any portion of the principal of the Refunding Bond ceases to accrue on the payment date of such portion, provided that there has been irrevocably deposited into a segregated account held by the City or an escrow agent or other fiduciary an amount sufficient to pay such principal, plus interest accrued thereon to such date. The Owner is not entitled to any other payment. Upon payment of all the principal and interest installments on the Refunding Bond, the Refunding Bond will no longer be outstanding and entitled to the benefits of this Agreement, except for the payment of the principal of and interest on such Bond from moneys held by the City or the escrow agent or other fiduciary for such payment.

(F) Unclaimed Monies. Any money held by the City or its escrow agent or other fiduciary for the payment of the principal of or interest on the Refunding Bond and remaining unclaimed for two (2) years after all of the principal of the Refunding Bond has become due and payable shall be transferred to the wastewater enterprise fund of the City.

Section 3.3. **Execution of the Refunding Bond**. The Refunding Bond shall be signed by the manual or facsimile signature of the Mayor or any member of the City Council and the City Clerk or his or her designee, provided that at least one such signature be manual.

If any of the officers who signed or countersigned the Refunding Bond ceases to be such officer or officers of the City before the Refunding Bond so signed or countersigned has been delivered by the City, the Refunding Bond may nevertheless be delivered and, upon such delivery, shall be as binding upon the City as though those who signed and countersigned the same had continued to be such officers of the City. The Refunding Bond may be signed and countersigned on behalf of the City by such persons as at the actual date of execution of the Refunding Bond are the proper officers of the City although at the nominal date of the Refunding Bond any such person was not such officer of the City.

Section 3.4. **Transfer of the Refunding Bond**.

The Owner may transfer the Refunding Bond, but only in whole to a proposed transferee that executes a Letter of Representations.

The Refunding Bond shall, in accordance with its terms, be transferred upon the books required to be kept pursuant to the provisions of Section 3.5 (Bond Register) hereof by the person in whose name it is registered, in person or by the duly authorized attorney of such person, upon surrender of the Refunding Bond to the City for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the City and the purchaser's duly executed Letter of Representations.

Whenever the Refunding Bond is surrendered for transfer, the designated City officials shall execute (as provided in Section 3.3 (Execution of the Refunding Bond) hereof) and deliver a new Refunding Bond. The City shall require the payment by the Owner requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of the Refunding Bond is required to be made by the City during the period from the close of business on the Record Date next preceding any Interest Payment Date to and including such Interest Payment Date.

Section 3.5. **Bond Register**. The City will keep or cause to be kept a record of the registration and transfer of the Refunding Bond. Upon presentation for such purpose, the City shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the record, the Refunding Bond as hereinbefore provided.

Section 3.6. **Validity of Refunding Bond**. The recital contained in the Refunding Bond that it is regularly issued pursuant to the Law is conclusive evidence of its validity and of compliance with the provisions of the Law in its issuance.

Section 3.7. **Application of Proceeds of the Refunding Bond**. The City shall transfer (or cause to be transferred) $________________ of the purchase price of the Refunding Bond to U.S. Bank National Association for deposit into the escrow fund established under the Escrow Agreement and shall cause to be paid costs of issuance of the Refunding Bond in the amount of $__________.

ARTICLE 4
REDEMPTION OF THE REFUNDING BOND

Section 4.1. **Extraordinary Redemption**. The Refunding Bond is subject to redemption, in whole on any date or in part (by ratably reducing the remaining scheduled principal installments) on any Interest Payment Date, from the Net Proceeds of insurance or condemnation with respect to the Wastewater System under the circumstances and upon the conditions and terms prescribed herein, at a redemption price equal to the principal amount of the Refunding Bond to be redeemed, together with accrued interest to the date fixed for redemption, without premium.

Section 4.2. **Optional Redemption**. Optional Redemption. The Refunding Bond is subject to redemption prior its maturity, at the option of the City, from any source of available funds, as a whole or in part on any date on or after March 1, 2027, at a redemption price equal to the principal amount of the Refunding Bond to be redeemed, plus accrued interest to the date fixed for redemption, without premium.

If the Refunding Bond is optionally redeemed in part, the amount of the principal to be redeemed shall be applied to reduce the scheduled principal installments in inverse order of their payment dates. Upon a partial redemption, the Owner shall surrender the Refunding Bond to the City for exchange, and the City shall execute and deliver to the Owner a replacement Bond in the amount of the unpaid principal thereof and incorporating the revised installment payment schedule.

Section 4.3. **Notice of Redemption**.

(A) Mailed Notice. Notice of redemption of the Refunding Bond shall be given by the City. Notice of redemption shall be mailed postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the redemption date by first class mail to the Owner at the address appearing on the bond register described in Section 3.5 (Bond Register).

(B) Content of Notice. Each notice of redemption shall contain all of the following information:

(1) the date of the notice;
(2) the name and date of issue of the Refunding Bond;
(3) the redemption date;
(4) the Redemption Price;
(5) in the case of a partial redemption, the revised installment payment schedule;

(6) a statement that the Refunding Bond must be surrendered to the City's offices; and

(7) notice that interest will not accrue on any principal redeemed after the designated redemption date.

(C) Defects in Notice or Procedure. Failure of the Owner to receive notice or any defect in any such notice does not affect the sufficiency of the proceedings for redemption.

Section 4.4. **Right to Rescind Notice**. The City may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the Owner. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption monies are not available to the City or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Refunding Bond called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the Owner of notice of such rescission is not a condition precedent to rescission, and failure to receive such notice or any defect in such notice does not affect the validity of the rescission.

Section 4.5. **Deposit of Redemption Price**. Prior to any redemption date, the City shall deposit into a segregated account held by it or in escrow with a bank or trust company, as appropriate, an amount of money sufficient to pay the Redemption Price due on that date. Such money shall be applied solely for the payment of the Redemption Price upon presentation and surrender of the Refunding Bond.

Section 4.6. **Bond Payable on Redemption Date**. When notice of redemption has been duly given and moneys for payment of the Redemption Price are held by the City or in escrow with a bank or trust company for that purpose, on the redemption date designated in the notice (i) the principal to be redeemed becomes due and payable at the Redemption Price specified in the notice, (ii) interest on such principal ceases to accrue, (iii) if the Refunding Bond is redeemed in whole, it ceases to be entitled to any benefit or security under this Agreement, and (iv) the Owner has no rights in respect of the redeemed principal except to receive payment of the Redemption Price. Upon surrender of the Refunding Bond for redemption in whole, the City or escrow holder, as the case may be, shall pay the Owner the Redemption Price and cancel the surrendered Bond.

ARTICLE 5
SECURITY FOR THE REFUNDING BOND

Section 5.1. **Pledge of Net Wastewater Revenues**. The City hereby irrevocably pledges all Net Wastewater Revenues to the payment of the Installment Payments and City Revenue Bonds as provided herein; provided that out of the Net Wastewater Revenues there may be apportioned such sums for such purposes as are expressly permitted herein. This pledge constitutes a lien on the Net Wastewater Revenues and (subject to the application of amounts on deposit therein for the payment of Operation and Maintenance Costs and as otherwise permitted herein) the Wastewater Revenue Fund and the other funds and accounts created hereunder for the payment of the Installment Payments, Operation and Maintenance Costs of the Wastewater System, and all other Contracts and City Revenue Bonds in accordance with the terms hereof and of the Installment Purchase Contract.

Section 5.2. **Allocation of Wastewater Revenues**. In order to carry out and effectuate the pledge and lien on the Net Wastewater Revenues contained herein, the City agrees and covenants that all Wastewater Revenues shall be received by the City in trust hereunder and shall be deposited when and as received in the "Wastewater Revenue Fund," which fund the City agrees and covenants to maintain so long as any Installment Payments or City Revenue Bonds remain unpaid. Moneys in the Wastewater Revenue Fund shall be applied and used as provided herein.

The City shall, from the moneys in the Wastewater Revenue Fund, pay all Operation and Maintenance Costs as they become due and payable. The City shall use all remaining moneys in the Wastewater Revenue Fund to make the following payments or deposits at the following times in the following order of priority:

(A) Debt Service Payments. On or before each debt service payment date with respect to the City Revenue Bonds and the Contracts, the City shall, from the moneys in the Wastewater Revenue Fund, pay to the owners thereof or transfer to the trustee or paying agent with respect thereto the amounts coming due thereon on such debt service payment date, without preference or priority, and in the event of any insufficiency of such moneys ratably without any discrimination or preference.

(B) Reserve Funds. The City shall, from the remaining moneys in the Wastewater Revenue Fund, without preference or priority, and in the event of any insufficiency of such moneys ratably without any discrimination or preference, deposit or cause to be deposited into each reserve fund or account as may be provided for the City Revenue Bonds or the Contracts (or for the bonds secured by the Installment Payments) the amount necessary to restore each such fund or account to the amount required to be maintained therein, in accordance with the provisions of the resolution, trust agreement, indenture, or other issuance agreement relating thereto.

(C) Surplus. On each Installment Payment Date, moneys on deposit in the Wastewater Revenue Fund not necessary to make any of the payments required above may be expended by the City at any time for any purpose with respect to the Wastewater System.

Section 5.3. **Limited Obligation**. The obligation of the City to pay debt service on the Refunding Bond is a special obligation of the City payable solely from the Net Wastewater Revenues and other funds provided herein and does not constitute a debt of the City or of the State of California or of any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

Notwithstanding any other provisions contained herein, the City is not required to advance any moneys derived from any source of income other than the Net Wastewater Revenues and the other funds provided herein for the payment of the Refunding Bond or for the performance of any agreements or covenants required to be performed by it contained herein. The City may, however, advance moneys for any such purpose so long as such moneys are derived from a source legally available for such purpose and may be legally used by the City for such purpose.

Section 5.4. **Additional Contracts and City Revenue Bonds**. The City may at any time execute any Contracts or issue any City Revenue Bonds, as the case may be, in accordance with this

Agreement; provided the City satisfies (1) the debt service feasibility and (2) the reserve funding requirements described below:

(A) Debt Service Feasibility. The debt service feasibility requirements for project financings are as described below under (1) Project Financings, and the debt service feasibility requirements for refundings are as described below under (2) Refundings.

(1) Project Financings. With respect to the financing of the acquisition or construction of a Project, the City may satisfy either the historical coverage test or the projected coverage test. The City need not satisfy both coverage tests.

(i) Historical Coverage. The historical coverage test is satisfied if the Net Wastewater Revenues for either the most recent Fiscal Year for which audited financial statements are available or a period of twelve (12) consecutive months during the eighteen (18) months immediately preceding the date of adoption (the "adoption date") by the City Council of the resolution authorizing the execution of such Contracts or the issuance of such City Revenue Bonds (the "measurement period"), as evidenced by both a calculation prepared by the City and a Coverage Report on such calculation on file with the City, shall have produced a sum equal to at least one hundred twenty per cent (120%) of Annual Debt Service on all Outstanding Contracts and City Revenue Bonds and the Contracts or City Revenue Bonds to be executed or issued in each of the five (5) full Fiscal Years next succeeding the adoption date or in each of the three (3) full Fiscal Years next succeeding the date through which interest with respect to the Contracts or City Revenue Bonds to be executed or issued has been capitalized, whichever period ends later. In calculating debt service coverage for this purpose, Net Wastewater Revenues for the measurement period may be increased by:

(a) the estimated amount of additional Net Wastewater Revenues that would have accrued to the Wastewater System from each new connection to the Wastewater System that was made after the commencement of the measurement period and prior to the adoption date had such connection been made at the commencement of the measurement period; and

(b) the estimated amount of additional Net Wastewater Revenues that would have accrued to the Wastewater System from any increases in rates and charges that became effective after the commencement of the measurement period and prior to the adoption date had such increases been in effect during the entire measurement period;

(ii) Projected Coverage. The projected coverage test is satisfied if the projected Net Wastewater Revenues for each of the five (5) full Fiscal Years next succeeding the earlier of (x) the date through which interest with respect to the Contracts or City Revenue Bonds to be executed or issued has been capitalized or the execution date or issue date if no interest has been capitalized and (y) the date on which all Projects are expected to commence operations shall be at least one hundred twenty per cent (120%) of Annual Debt Service in each such Fiscal Year on all

Contracts and City Revenue Bonds to be Outstanding, as evidenced by both a calculation prepared by the City and a Coverage Report on such calculation on file with the City. In calculating debt service coverage for this purpose, projected Net Wastewater Revenues may include:

(a) the estimated amount of additional Net Wastewater Revenues to accrue to the Wastewater System from any increases in rates and charges that have been finally approved as required by law and will be in effect in such Fiscal Year; and

(b) the estimated amount of additional Net Wastewater Revenues to accrue to the Wastewater System from new customers anticipated to be served during such five-year period by additions or improvements to or extensions of the Wastewater System;

(2) Refundings. If any such Contracts are executed or City Revenue Bonds are issued for the purpose of discharging or defeasing Contracts or City Revenue Bonds then unpaid and outstanding, the debt service feasibility requirements will be satisfied if, upon such execution or issuance, either (a) the City meets the requirements of subsection (A)(1) above or (b) a Coverage Report is filed with the City to the effect that Annual Debt Service on all Contracts and City Revenue Bonds to be Outstanding in each future Fiscal Year following such discharge or defeasance would not exceed one hundred ten per cent (110%) of Annual Debt Service in that Fiscal Year had such discharge or defeasance not occurred.

(B) Reserve Funding. The reserve funding requirement hereunder will be satisfied if the City establishes and funds a separate reserve for such Contracts or City Revenue Bonds in accordance with the reserve funding requirements (if any) of such Contracts or City Revenue Bonds.

Section 5.5. **O&M Obligations**. The City may at any time execute any O&M Obligations; provided that the City satisfies the debt service feasibility requirements described in Section 5.4(A)(1) (Project Financings), but applying such requirements by subtracting the maximum amount payable under the O&M Obligations in any Fiscal Year from the Net Wastewater Revenues for each twelve-month period tested and comparing the Net Wastewater Revenues as so adjusted to Annual Debt Service on all outstanding Contracts and City Revenue Bonds.

Section 5.6. **Against Additional Prior Lien Obligations and Other Encumbrances; Subordinate Obligations**.

(A) Additional Prior Lien Obligations. The City hereby covenants and agrees that it shall not incur any obligations that are secured by a pledge and lien on the Net Wastewater Revenues that is senior to the pledge and lien on the Net Wastewater Revenues contained herein; provided that the City may incur O&M Obligations as permitted herein.

(B) Other Encumbrances. The City will not make any pledge of or place any lien on the Wastewater Revenues except as provided herein.

(C) Subordinate Obligations. The City may at any time, or from time to time, issue evidences of indebtedness for any lawful purpose that are payable from and secured by a pledge of and lien on any moneys transferred to other funds of the City (as provided in Section 5.2(C) (Allocation of Wastewater Revenues -- Surplus)), provided that such pledge and lien shall be subordinate in all respects to the pledge of and lien on the Net Wastewater Revenues provided herein.

Section 5.7. **Amount of Rates and Charges**. The City will fix, prescribe, and collect rates and charges for the Wastewater Service that are reasonably fair and nondiscriminatory and that will be at least sufficient to yield during each Fiscal Year (a) Net Wastewater Revenues that are equal to one hundred twenty per cent (120%) of the Debt Service for such Fiscal Year, (b) any amounts necessary to replenish the Reserve Fund and any similar reserve fund established with respect to any City Revenue Bonds or Contracts to their required amounts, and (c) any amounts necessary to pay all amounts owed to any issuer of a reserve fund insurance policy or any similar credit instrument obtained with respect to any City Revenue Bonds or Contracts. The City may make adjustments from time to time in such rates and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates and charges then in effect unless the Net Wastewater Revenues from such reduced rates and charges will at all times be sufficient to meet the requirements of this section

Section 5.8. **Rate Stabilization Fund**. The City may, but is not required to, establish a fund designated as the "Rate Stabilization Fund." From time to time, the City may deposit in the Rate Stabilization Fund any available funds, including such Net Wastewater Revenues as the City shall determine are not needed to pay Installment Payments. Deposits for each Fiscal Year may be made until (but not after) the date that is one hundred twenty (120) days after the end of such Fiscal Year. The City may withdraw amounts from the Rate Stabilization Fund only for inclusion in Wastewater Revenues, such withdrawals to be made until (but not after) the date that is one hundred twenty (120) days after the end of such Fiscal Year. All interest or other earnings upon deposits in the Rate Stabilization Fund shall be withdrawn therefrom and accounted for as Wastewater Revenues. Notwithstanding the foregoing, no deposit of Wastewater Revenues to the Rate Stabilization Fund may be made if such Wastewater Revenues were included in the Engineer's Report or Accountant's Report submitted pursuant to Section 6.8 (Eminent Domain Proceeds) hereof.

Section 5.9. **Operation and Maintenance of the Wastewater System**. The City will maintain and preserve the Wastewater System in good repair and working order at all times and will operate the Wastewater System in an efficient and economical manner and will pay all Operation and Maintenance Costs of the Wastewater System as they become due and payable.

Section 5.10. **Against Sale or Other Disposition of Property**. The City will not sell, lease, or otherwise dispose of the Wastewater System or any part thereof essential to the proper operation of the Wastewater System or to the maintenance of the Wastewater Revenues. The City will not enter into any agreement or lease that impairs the operation of the Wastewater System or any part thereof necessary to secure adequate Wastewater Revenues for the payment of the City Revenue Bonds and the Contracts or that would otherwise impair the operation of the Wastewater System. Any real or personal property that has become nonoperative or that is not needed for the efficient and proper operation of the Wastewater System, or any material or equipment that has become worn out, may be sold in accordance with the provisions of the Act. The City shall deposit the proceeds of such sale in the Wastewater Revenue Fund.

ARTICLE 6
COVENANTS OF THE CITY

Section 6.1. **Punctual Payment and Performance.** The City will punctually pay the principal of and interest on the Refunding Bond, in strict conformity with the terms of the Refunding Bond and hereof, and will faithfully observe and perform all the agreements, conditions, covenants, and terms contained herein required to be observed and performed by it.

Section 6.2. **Obligation to Pay**. The obligations of the City to make debt service payments on the Refunding Bond from the Net Wastewater Revenues and to perform and observe the other agreements contained herein are absolute and unconditional and are not subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach of the City of any obligation with respect to the Wastewater System, whether hereunder or otherwise. Until such time as all of the debt service payments and all other amounts coming due and payable hereunder is fully paid or prepaid, the City (a) will not suspend or discontinue payment of any debt service payments or such other amounts with respect to the Refunding Bond, (b) will perform and observe all other agreements contained in this Agreement, and (c) will not terminate this Agreement for any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Wastewater System, sale of the Wastewater System, the taking by eminent domain of title to or temporary use of any component of the Wastewater System, commercial frustration of purpose or any change in the tax or other laws of the United States of America or the State or any political subdivision of either thereof.

Section 6.3. **Compliance with Law; Preservation of Rights**. The City will faithfully comply with, keep, observe, and perform all valid and lawful obligations or regulations now or hereafter imposed on it with respect to the Wastewater System by contract, or prescribed by any law of the United States of America or of the State, or by any officer, board, or commission having jurisdiction or control, as a condition of the continued enjoyment of each and every franchise, right, or privilege now owned or hereafter acquired by the City with respect to the Wastewater System, including its right to exist and carry on its business, to the end that such franchises, rights, and privileges be maintained and preserved and not become abandoned, forfeited, or in any manner impaired.

Section 6.4. **Compliance with Contracts**. The City will comply with, keep, observe and perform all agreements, conditions, covenants, and terms (express or implied) required to be performed by it contained in all contracts for the use of the Wastewater System and all other contracts affecting or involving the Wastewater System to the extent that the City is a party thereto.

Section 6.5. **Payment of Claims**. The City will pay and discharge any and all lawful claims for labor, materials or supplies that, if unpaid, might become a lien on the Wastewater Revenues or any part thereof or on any funds in the hands of the City prior or superior to the lien of the Refunding Bond or that might impair the security of the Refunding Bond.

Section 6.6. **Payment of Taxes; Compliance with Regulations**. The City will pay and discharge all taxes, assessments, and other governmental charges that may hereafter be lawfully imposed upon the Wastewater System or any part thereof or upon the Wastewater Revenues when the same shall become due. The City will duly observe and conform with all valid regulations and requirements of any governmental authority relative to the operation of the Wastewater System or any part thereof, but the City shall not be required to comply with any regulations or requirements so long as the validity or application thereof shall be contested in good faith.

Section 6.7. **Insurance; Application of Net Proceeds**.

(A) Casualty Insurance. The City will procure and maintain or cause to be procured and maintained insurance on the Wastewater System with responsible insurers in such amounts and against such risks (including accident to or destruction of the Wastewater System) as are usually covered in connection with wastewater systems similar to the Wastewater System so long as such insurance is available from reputable insurance companies. In the event of any damage to or destruction of the Wastewater System caused by the perils covered by such insurance, the Net Proceeds thereof shall be applied to the reconstruction, repair, or replacement of the damaged or destroyed portion of the Wastewater System. The City shall begin such reconstruction, repair, or replacement promptly after such damage or destruction shall occur; shall continue and properly complete such reconstruction, repair, or replacement as expeditiously as possible; and shall pay out of such Net Proceeds all costs and expenses in connection with such reconstruction, repair, or replacement so that the same shall be completed and the Wastewater System shall be free and clear of all claims and liens. If such Net Proceeds exceed the costs of such reconstruction, repair, or replacement, then the excess Net Proceeds shall be applied in part to the redemption of the Refunding Bond as provided in Article 4 (Redemption of the Refunding Bond) and in part to such other fund or account as may be appropriate and used for the retirement of City Revenue Bonds and Contracts in the same proportion that the aggregate unpaid principal balance of the Refunding Bond then bears to the aggregate unpaid principal amount of such City Revenue Bonds and Contracts. If such Net Proceeds are sufficient to enable the City to retire the entire obligation evidenced hereby prior to the final maturity of the Refunding Bond as well as the entire obligations evidenced by City Revenue Bonds and Contracts then remaining unpaid prior to their final respective due dates, the City may elect not to reconstruct, repair, or replace the damaged or destroyed portion of the Wastewater System, and thereupon such Net Proceeds shall be applied to the prepayment of the Refunding Bond as provided in Article 4 (Redemption of the Refunding Bond) and to the retirement of such City Revenue Bonds and Contracts.

(B) Other Insurance. The City will procure and maintain such other insurance that it deems advisable or necessary to protect its interests and the interests of the Owner, which insurance affords protection in such amounts and against such risks as are usually covered in connection with wastewater utility systems similar to the Wastewater System.

(C) Self-Insurance. Any insurance required to be maintained pursuant to paragraph (A) above and any insurance maintained pursuant to paragraph (B) above may be maintained under a self-insurance or pooled risk program so long as such self-insurance or pooled risk program is maintained in the amounts and manner usually maintained in connection with wastewater systems similar to the Wastewater System.

(D) Notice of Cancellation. All policies of insurance required to be maintained herein shall provide that the Owner be given thirty (30) days' written notice of any intended cancellation thereof or reduction of coverage provided thereby.

Section 6.8. **<u>Eminent Domain Proceeds</u>**. If all or any part of the Wastewater System shall be taken by eminent domain proceedings, the Net Proceeds thereof shall be applied as follows:

(A) If (1) the City obtains and files with the Owner an Engineer's Report or Accountant's Report showing (i) the estimated loss of annual Net Wastewater Revenues, if any, suffered or to be suffered by the City by reason of such eminent domain proceedings, (ii) a general description of the additions, betterments, extensions, or improvements to the Wastewater System proposed to be acquired and constructed by the City from such Net Proceeds, and (iii) an estimate of the additional annual Net Wastewater Revenues to be derived from such additions, betterments, extensions, or improvements, and (2) the City, on the basis of such Engineer's Report or Accountant's Report filed with the Authority, determines that the estimated additional annual Net Wastewater Revenues will sufficiently offset the estimated loss of annual Net Wastewater Revenues resulting from such eminent domain proceedings so that the ability of the City to meet its obligations hereunder will not be substantially impaired (which determination shall be final and conclusive) then the City shall promptly proceed with the acquisition and construction of such additions, betterments, extensions, or improvements substantially in accordance with such Engineer's Report or Accountant's Report and such Net Proceeds shall be applied for the payment of the costs of such acquisition and construction, and any balance of such Net Proceeds not required by the City for such purpose shall be deposited in the Wastewater Revenue Fund.

(B) If (1) the City obtains and files with the Owner an Engineer's Report or Accountant's Report containing an estimate of annual Net Wastewater Revenues after the taking by eminent domain and (2) the City, on the basis of such Engineer's Report or Accountant's Report, determines that Net Wastewater Revenues will equal at least one hundred twenty per cent (120%) of Debt Service for each Fiscal Year in which City Revenue Bonds and Contracts are Outstanding, then the City may use such Net Proceeds for any lawful purpose.

(C) If the conditions of neither of the foregoing subsections are met, then such Net Proceeds shall be applied in part to the redemption of the Refunding Bond as provided in Article 4 (<u>Redemption of the Refunding Bond</u>) and in part to such other fund or account as may be appropriate and used for the retirement of City Revenue Bonds and Contracts in the same proportion as the aggregate unpaid principal balance of the Refunding Bond then bears to the aggregate unpaid principal amount of such City Revenue Bonds and Contracts.

Section 6.9. **<u>Reporting Requirements Information</u>**. During the term of this Agreement, the City shall deliver to the Owner:

(A) <u>Audited Financial Statements</u>. Not later than 210 days after the end of each Fiscal Year, audited financial statements of the City for that Fiscal Year, together with a report of the City's independent auditor concerning its compliance with laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amount.

(B) <u>Coverage Certificate</u>. If not included in the audited financial statements, at the same time as the delivery of the financial statements, a certificate of the City demonstrating that Net Wastewater Revenues for the last Fiscal equaled at least one hundred twenty per cent (120%) of Annual Debt Service on all Outstanding Contracts and City Revenue Bonds.

(C) City Budget. Not later than thirty days after the end of each Fiscal Year, the City's adopted annual budget for the following year.

(D) Other information. Such other information regarding the operations, financial condition, and property of the Wastewater System as the Owner may reasonably request as soon as available.

(E) Event Notices. Prompt written notice of (1) any default on any Contracts or City Revenue Bonds, (2) Material Litigation, (3) Material Governmental Proceedings, and (4) any event that has a Material Adverse Effect.

Any such documents and information may be provided by posting it to the Municipal Securities Rulemaking Board's EMMA website.

Section 6.10. **Release and Indemnification Covenants**. To the extent permitted by law, the City hereby indemnifies the Owner, and its directors, officers, agents, employees, successors and assigns against all claims, losses and damages, including legal fees and expenses, arising out of (a) the use, maintenance, condition or management of, or from any work or thing done on the Wastewater System by the City or the City's employees, agents, contractors, invitees or licensees, (b) any breach or default on the part of the City in the performance of any of its obligations under this Agreement, (c) any negligence or willful misconduct of the City or of any of its agents, contractors, servants, employees or licensees with respect to the Wastewater System, (d) the clean-up of any Hazardous Substances or toxic wastes from the Wastewater System, or (e) any claim alleging violation of any Applicable Environmental Laws, or the authorization of payment of the costs thereof. No indemnification is made under this section or elsewhere in this Agreement for willful misconduct or gross negligence under this Agreement by the Owner, or its respective officers, agents, employees, successors or assigns. The indemnification hereunder continues in full force and effect notwithstanding the full payment of all obligations under this Agreement. The City and the Owner each agree to promptly give notice to the other of any claim or liability hereby indemnified against following learning thereof.

Section 6.11. **Tax Covenant**. The City shall at all times do and perform all acts and things permitted by law and this Agreement that are necessary and desirable in order to assure that interest paid on the Refunding Bond will be excludable from gross income for federal income tax purposes and shall take no action that would result in such interest not being so excludable. Without limiting the generality of the foregoing, the City agrees to comply with the provisions of the Tax Certificate. This covenant survives the payment in full of the Refunding Bond.

Section 6.12. **Further Assurances**. The City will promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other and further things, as may be necessary or reasonably required in order to further and more fully vest in the Owner all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon it by this Agreement.

ARTICLE 7
EVENTS OF DEFAULT AND REMEDIES OF OWNER

Section 7.1. **Events of Default**. The following events are Events of Default:

(A) Payment Default. Default in the due and punctual payment of any installment of the principal of or interest on the Refunding Bond when and as the same becomes due and payable;

(B) Breach of Covenant. Failure by the City to observe or perform any covenant, condition, agreement or provision in this Agreement on its part to be observed or performed, other than as referred to in subsection (A) of this Section, for a period of sixty (60) days after written notice, specifying such failure and requesting that it be remedied, has been given to the City; except that, if such failure can be remedied but not within such sixty-day period and if the City has taken all action reasonably possible to remedy such failure within such sixty-day period, such failure will not become an Event of Default for so long as the City diligently proceeds to remedy same;

(C) Bankruptcy. The City files a petition seeking arrangement or reorganization under federal bankruptcy laws or any other applicable law of the United States of America or any state therein; or a court of competent jurisdiction approves a petition filed with the consent of the City seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein; or, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction assumes custody or control of the City or of the whole or any substantial part of its property; and

(D) Parity Obligation Default. An event of default occurs with respect to any City Revenue Bonds or Contracts.

Section 7.2. **Acceleration of Debt Service**. If an Event of Default occurs, then, and in each and every such case during the continuance of such Event of Default, the Owner may, by notice in writing to the City, declare the unpaid principal of the Refunding Bond and the interest accrued thereon to be due and payable immediately, and upon any such declaration the same becomes due and payable, anything contained herein or in the Refunding Bond to the contrary notwithstanding. The Owner shall notify the City whether it has elected that the Refunding Bond bear interest at the Default Rate.

This provision, however, is subject to the condition that if, at any time after the principal of the Refunding Bond has been so declared due and payable and before any judgment or decree for the payment of the money due has been obtained or entered, the City pays the Owner all matured interest on the Refunding Bond and all principal of the Refunding Bond due prior to such declaration, with interest at the rate borne by the Refunding Bond on such overdue interest and principal, and the reasonable fees and expenses of the Owner, including without limitation fees and expenses of its attorneys and agents, and any and all other defaults known to the Owner (other than in the payment of interest on and principal of the Refunding Bond due and payable solely by reason of such declaration) has been made good or cured to the satisfaction of the Owner or provision deemed by the Owner to be adequate has been made therefor, then and in every such case the Owner, by written notice to the City, shall rescind and annul such declaration and its consequences; but no such rescission and annulment extends to or affects any subsequent default or impairs or exhausts any right or power consequent thereon.

Section 7.3. **Other Remedies of Owner**. Upon the occurrence and continuance of an Event of Default, the Owner has the right:

(A) by mandamus or other action, suit, or proceeding at law or in equity to enforce the Owner's rights against the City Council or the City or any of the officers or employees of the City, and to compel the City Council or the City or any such officers or employees to perform and carry out their duties under the Law and the agreements and covenants with the Owner contained herein;

(B) by suit in equity to enjoin any acts or things that are unlawful or violate the rights of the Owner; or

(C) by suit in equity upon the nonpayment of the Refunding Bond to require the City Council or the City or its officers and employees to account as the trustee of an express trust.

Section 7.4. **Restoration of Positions**. If any proceedings taken by the Owner on account of any Event of Default are discontinued or abandoned for any reason or are determined adversely to the Owner, then in every such case the City and the Owner, subject to any determination in such proceedings, are restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers, and duties of the City and the Owner continue as though no such proceedings had been taken.

Section 7.5. **Rights and Remedies Cumulative**. No right or remedy herein conferred upon or reserved to the Owner of the Refunding Bond is intended to be exclusive of any other right or remedy, and every right and remedy is, to the extent permitted by law, cumulative and in addition to every other right or remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, does not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 7.6. **Delay or Omission Not Waiver**. No delay or omission of any Owner of the Refunding Bond to exercise any right or remedy accruing upon an Event of Default impairs any such right or remedy or constitutes a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Agreement or by law to the Owner of the Refunding Bond may be exercised from time to time, and as often as may be deemed expedient, by the Owner.

ARTICLE 8
AMENDMENTS; DISCHARGE OF AGREEMENT

Section 8.1. **Amendments Permitted**.

(A) This Agreement and the rights and obligations of the City and of the Owner may be modified or amended at any time by a supplemental agreement but only with the written consent of the Owner.

(B) From and after the time any supplemental agreement becomes effective pursuant to this Article, this Agreement is deemed to be modified and amended in accordance therewith, and the respective rights, duties, and obligations under this Agreement of the City and the Owner will thereafter be determined, exercised, and enforced hereunder subject in all respects to such modification and amendments, and all the terms and conditions of any such supplemental agreement are deemed to be part of the terms and conditions of this Agreement for any and all purposes.

Section 8.2. **Discharge of Agreement**.

(A) If the City pays or cause to be paid or there is otherwise paid to the Owner the principal of and the interest and the redemption premium, if any, on the Refunding Bond at the times and in the manner stipulated therein and herein, then all agreements, covenants and other obligations of the City to the Owner hereunder thereupon cease, terminate and become void and are discharged and satisfied.

(B) The Refunding Bond is deemed to have been paid within the meaning and with the effect expressed in subsection (A) of this section if (1) in case the Refunding Bond is to be redeemed on any date prior to its final principal payment, the City has mailed a notice of redemption to the Owner, (2) there has been deposited with an escrow agent either money in an amount that is sufficient or Defeasance Securities that are not subject to redemption except by the holder thereof prior to maturity, the interest on and principal of which when paid will provide money that, together with the money, if any, deposited with such escrow agent at the same time, is sufficient to pay when due the interest to become due on the Refunding Bond on and prior to the final principal payment date or redemption date thereof, as the case may be, and the principal of and redemption premiums, if any, on the Refunding Bond on and prior to the final principal payment date or the redemption date thereof, as the case may be, and (3) if the Refunding Bond is not subject to redemption within the next succeeding sixty (60) days, the City has mailed a notice to the Owner that the deposit required by clause (2) above has been made with such escrow agent and that the Refunding Bond is deemed to have been paid in accordance with this section and stating the principal payment dates or redemption date, as the case may be, upon which money is to be available for the payment of the principal of and redemption premiums, if any, on the Refunding Bond.

[signature page follows]

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed by its officers duly authorized as of the date first written above.

CITY OF WOODLAND

By:__________________________________
Mayor

COUNTERSIGNED:

By:__________________________________
City Clerk

EXHIBIT A

FORM OF BOND

REGISTERED **NO. R-1**

THIS BOND MAY ONLY BE TRANSFERRED IN WHOLE AS DESCRIBED IN AND SUBJECT TO THE OTHER CONDITIONS DESCRIBED IN THE BOND ISSUANCE AGREEMENT.

CITY OF WOODLAND
Wastewater Revenue Refunding Bond, Series 2017

ORIGINAL PRINCIPAL AMOUNT	INTEREST RATE	ORIGINAL ISSUE DATE
$[PRINCIPAL AMOUNT]	______%	July __, 2017

REGISTERED OWNER: ______________________________________

The City of Woodland, a municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "City"), for value received, hereby promises to pay (but only out of the Net Wastewater Revenues hereinafter referred to) to the registered owner named above or registered assigns, the installments of principal in the amounts and on the dates stated below (subject to prior redemption as described below) and interest on the unpaid principal amount of this Bond calculated from the original issue date stated above at the interest rate per annum stated above (subject to increase to the Default Rate, as described below) in installments in the amounts and on the dates stated below (subject to increase to the Default Rate, as described below, or reduction in the case of a partial redemption of the Bond):

Date	Principal	Interest	Total

Interest on the unpaid principal amount of this Bond is calculated on the basis of a 360-day year comprising twelve 30-day months.

Upon the occurrence and continuation of an Event of Default under the hereinafter mentioned Bond Issuance Agreement, the unpaid principal balance of the Bond shall, if elected by the Owner, bear interest at a rate per annum not greater than _____% (the "Default Rate"), to the extent such increased rate is permitted by law. If so imposed by the Owner, the Default Rate shall remain in effect until such time as the applicable Event of Default is cured to the satisfaction of the Owner. Any unpaid interest on the Bond, including Default Rate interest, accrues until paid.

The principal and interest installments on this Bond are payable in lawful money of the United States of America by wire transfer on each payment date to the registered owner hereof as of the close of business on the fifteenth (15th) day of the calendar month immediately preceding such payment date. Payments of principal of the Bond shall be made without the requirement for presentation and surrender of the Bond by the registered owner, provided that principal of the Bond that is payable at final maturity shall be made only upon presentation and surrender of the Bond at the offices of the City.

This Bond is the single bond of the issue authorized by the City and designated "City of Woodland Wastewater Revenue Refunding Bond, Series 2017," in the original principal amount stated above. This Bond is issued pursuant to a Bond Issuance Agreement dated July 1, 2017, made by the City (the "Agreement"), and in conformity with the Constitution and laws of California, including the statutory authority of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Refunding Law").

The Bond is issued to provide funds to refinance the cost of the acquisition, construction and equipping of wastewater conveyance, treatment, and disposal facilities for the City. The Bond is a limited obligation of the City and is payable, as to interest thereon and principal thereof, solely from the Net Wastewater Revenues, as defined in the Agreement. The City is not obligated to pay interest on and principal of the Bonds except from the Net Wastewater Revenues. The Bond is secured in accordance with the terms and conditions of the Agreement by a pledge of and charge and lien upon the Net Wastewater Revenues. The Net Wastewater Revenues constitute a trust fund for the security and payment of the interest on and principal of the Bond as provided in the Agreement.

The full faith and credit of the City are not pledged for the payment of the interest on or principal of the Bond. No tax shall ever be levied or collected to pay the interest on or principal of the Bond. The Bond is not secured by a legal or equitable pledge of or charge or lien upon any property of the Authority or any of its income or receipts except the Revenues.

Reference is hereby made to the Agreement and to the Refunding Law for a description of the terms on which the Bond is issued, the provisions with regard to the nature and extent of the Net Wastewater Revenues, the rights of the registered owner of the Bond, security for payment of the Bond, remedies upon default and limitations thereon, and amendment of the Agreement (with or without consent of the registered owner of the Bond) All the terms of the Agreement and the Refunding Law are hereby incorporated herein and constitute a contract between the City and the registered owner from time to time of this Bond. The registered owner of this Bond, by its acceptance hereof, consents and agrees to all the provisions of the Agreement. Additional obligations may be issued on a parity with the Bond, but only subject to the conditions and limitations contained in the Agreement.

This Bond is subject to redemption by the City as a whole on any date or in part (by ratably reducing the remaining scheduled principal installments) on any Interest Payment Date, from funds received by the City due to a casualty loss or governmental taking of the Wastewater System or portions thereof by eminent domain proceedings, under the circumstances and upon the conditions and terms prescribed in the Agreement, at a redemption price equal to the sum of the principal amount thereof to be redeemed plus accrued interest thereon to the date fixed for redemption, without premium.

[Final redemption provisions will be inserted prior to issue date]

If this Bond is optionally redeemed in part, the amount of the principal to be redeemed shall be applied to reduce the scheduled principal installments in inverse order of their payment dates.

Notice of redemption of this Bond shall be given by first class mail not less than thirty (30) days nor more than sixty (60) days before the redemption date to the registered owner hereof, subject to and in accordance with provisions of the Agreement. If notice of redemption has been duly given as aforesaid and money for the payment of the above-described redemption price is held by the City or its escrow agent, then this Bond, on the redemption date designated in such notice, becomes due and payable at the above-described redemption price; and from and after the date so designated, interest on this Bond ceases to accrue and the registered owner of this Bond has no rights with respect hereto except to receive payment of the redemption price hereof.

If an event of default, as defined in the Agreement, occurs, the principal of the Bond may be declared due and payable upon the conditions, in the manner and with the effect provided in the Agreement, except that the Agreement provides that in certain events such declaration and its consequences will be rescinded under the circumstances as provided therein.

This Bond is transferable by the registered owner hereof, in person or by its attorney duly authorized in writing, at the offices of the City, but only in the manner, subject to the limitations and upon payment of the charges provided in the Agreement, and upon surrender and cancellation of this Bond. Upon such transfer a new fully registered Bond for the same aggregate principal amount will be issued to the transferee in exchange herefor.

The City may deem and treat the registered owner hereof as the absolute owner hereof for all purposes, and the City is not affected by any notice to the contrary.

The rights and obligations of the City and of the registered owner of the Bond may be modified or amended at any time in the manner, to the extent, and upon terms provided in the Agreement, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered owner of Bond.

It is hereby certified and recited that any and all acts, conditions, and things required to exist, to happen, and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, do exist, have happened, and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California; that the total amount of indebtedness of the City, including the amount of this Bond, does not exceed any limit prescribed by the Constitution and the statutes of the State of California; and that this Bond is not in excess of the amount permitted to be issued under the Agreement.

IN WITNESS WHEREOF, the City Council of the City of Woodland has caused this Bond to be signed by the Mayor of the City and to be countersigned by the City Clerk, all as of the date stated above.

CITY OF WOODLAND

By:______________________________
Mayor

Countersigned:

____
City Clerk

APPROVED AS TO FORM:

____
Kara Ueda, City Attorney

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto ____ the within Bond and do(es) hereby irrevocably constitute and appoint ____________________________________ attorney, to transfer the same on the bond register of the City, with full power of substitution in the premises.

Dated: _______________________

____

Note: The signature(s) to this Assignment must correspond with the name(s) on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature(s) Guaranteed by:

____

Note: Signature must be guaranteed by an eligible guarantor institution (banks, securities brokers, savings associations, credit unions, or other institutions with membership in an approved signature guarantee medallion program) pursuant to Securities and Exchange Commission Rule 17A(d)15.

Social Security Number, Tax Identification Number, or other identifying number of Assignee:

____

LEGAL OPINION

The following is a true copy of the opinion rendered by Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation, in connection with the issuance of, and dated as of the date of the original delivery of, the City of Woodland Wastewater Revenue Refunding Bond, Series 2017. A signed copy is on file in my office.

____
City Clerk

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD
A Professional Corporation
400 Capitol Mall, 27th floor
Sacramento, CA 95814-4417

City Council
City of Woodland
300 First Street
Woodland, CA 95695

Re: City of Woodland
Wastewater Revenue Refunding Bond, Series 2017

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the City of Woodland (the "City") of its Wastewater Revenue Refunding Bond, Series 2017 (the "Series 2017 Bond") in the principal amount of $[PRINCIPAL AMOUNT]. The Series 2017 Bond is authorized to be issued pursuant to the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and pursuant to the provisions of the Bond Issuance Agreement made by the City dated July 1, 2017 (the "Bond Issuance Agreement"). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Bond Issuance Agreement.

Regarding questions of fact material to our opinion, we have relied upon the representations of the City contained in the Bond Issuance Agreement and in the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Bond Issuance Agreement has been duly executed and delivered by the City and is a valid and binding obligation of the City. The principal amount of the Series 2017 Bond, which is the only bond issued under the Bond Issuance Agreement, does not exceed any limitation imposed by law or by the Bond Issuance Agreement.

2. The Series 2017 Bond has been duly authorized, executed and delivered by the City and is a valid and binding special obligation of the City, payable solely from the Net Wastewater Revenues and other funds provided therefor in the Bond Issuance Agreement.

3. The Bond Issuance Agreement creates a valid first lien on the Net Wastewater Revenues for the security of the Series 2017 Bond on a parity with the other obligations issued or to be issued by the City and secured thereby.

4. The Series 2017 Bond is not secured by a legal or equitable pledge of or charge, lien or encumbrance upon any property of the City or any of its income or receipts except the Net Wastewater Revenues. The credit and taxing power of the City are not pledged for the payment of interest on or principal of the Series 2017 Bond; and the owner of the Series 2017 Bond cannot compel the exercise of the taxing power by the City.

5. Interest on the Series 2017 Bond is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Series 2017 Bond in order that interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause interest on the Series 2017 Bond to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2017 Bond. We express no opinion regarding other federal tax consequences arising with respect to the Series 2017 Bond.

6. Interest on the Series 2017 Bond is exempt from present State of California personal income taxes.

7. The rights of the owner of the Series 2017 Bond and the enforceability of the Series 2017 Bond and the Bond Issuance Agreement are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

We express no opinion regarding tax consequences arising with respect to the Series 2017 Bond other than as expressly set forth herein.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD
A Professional Corporation

LETTER AGREEMENT FOR PURCHASE

June __, 2017

City of Woodland
300 First Street
Woodland, California 95695

Re: City of Woodland
Wastewater Revenue Refunding Bond, Series 2017

Ladies and Gentlemen:

The undersigned, Compass Mortgage Corporation (the "Purchaser"), offers, upon the following terms, to enter into this Letter Agreement for Purchase (the "Purchase Agreement") with the City of Woodland (the "City"). This offer is made subject to acceptance by the City by execution of this Purchase Agreement and delivery of the same to the Purchaser on or before 11:59 a.m. (California time) on the date hereof, and, if not so accepted, will be subject to withdrawal by the Purchaser upon notice delivered to the City at any time prior to such acceptance. Upon the acceptance by the City hereof, this Purchase Agreement will be binding upon the City and the Purchaser.

1. **Defined Terms**. Capitalized terms used in this Purchase Agreement and not otherwise defined herein shall have the respective meanings set forth for such terms in the Bond Issuance Agreement dated July 1, 2017 (the "Bond Issuance Agreement"), made by the City.

2. **Purchase and Sale of the Bond**. Upon the terms and conditions and upon the basis of the representations set forth in this Purchase Agreement, the Purchaser agrees to purchase from the City and the City agrees to sell and deliver to the Purchaser the City of Woodland Wastewater Revenue Refunding Bond, Series 2017 (the "Bond"), in the principal amount of $__________. The Bond shall be dated its date of delivery and shall mature on March 1, 2031, pay interest at the rate of _______% per annum, be payable in installments of interest and principal, and be subject to optional redemption as set forth on Schedule I attached hereto. The purchase price for the Bond shall be $_________ (the "Purchase Price").

3. **Arm's-Length Transaction**. The purchase and sale of the Bond to the Purchaser represents a negotiated transaction, and the City acknowledges and agrees that: (i) the transaction contemplated by this Purchase Agreement is an arm's length, commercial transaction between the City and the Purchaser in which the Purchaser is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the City; (ii) the Purchaser has not assumed any advisory or fiduciary responsibility to the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Purchaser has provided other services or is currently providing other services to the City on other matters); (iii) the Purchaser is acting solely for its own account, (iv) the only obligations the Purchaser has to the City with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (v) the City has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

4. **Description of the Bond**. The Bond shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable as provided in the Bond Issuance Agreement. The Bond shall be delivered to the Purchaser in in the form of a physical bond certificate and not in book-entry form. No CUSIP identification number will be obtained for the Bond.

The Bond is issued pursuant to and all laws of the State of California supplemental thereto and pursuant to the provisions of the Bond Issuance Agreement. The Bond is a limited obligation of the City, payable solely from the Net Wastewater Revenues and other funds provided therefor in the Bond Issuance Agreement. The Net Wastewater Revenues consist of the enterprise revenues of the City's wastewater collection, treatment, and disposal system, net of operations and maintenance costs.

The Bond is being issued to: (i) prepay the City's obligations under the Installment Sale Agreement dated November 1, 2005, as supplemented by the First Supplemental Installment Sale Agreement dated November 1, 2009, each between the City and the Woodland Finance Authority (the "Authority") (as so supplemented, the "2009 Installment Sale Agreement"), and thereby refund the Authority's Wastewater Revenue Bonds (Second Senior Lien), Series 2009 (the "Prior Bonds"), and (ii) pay the costs associated with the issuance and delivery of the Bond.

An amendment to the Installment Purchase Contract dated March 1, 2014, between the City and the Authority, made pursuant to the First Amendment to Installment Purchase Contract dated July 1, 2017 (the "First Amendment to Installment Purchase Contract"), between the City and the Authority, will allow the City to make debt service payments on the Bond directly to the Purchaser.

5. **Closing**. At or before 12:00 p.m. California time, on July 6, 2017, or at such other date and time as shall have been mutually agreed upon by the City and the Purchaser (the "Closing Date"), the City shall deliver to the Purchaser the duly executed Bond, together with the other documents described in Section 7(e) hereof; and the Purchaser will accept such delivery and pay the Purchase Price of the Bond as set forth in Section 2 hereof in immediately available funds by federal funds wire, in the amount equal to such Purchase Price, and there shall be delivered to the City the other documents described in Section 7(f) hereof, as well as any other documents or certificates as Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation ("Bond Counsel"), the Purchaser, or the Purchaser's counsel shall reasonably require.

Payment for the delivery of the Bond as described herein shall be made by wire transfer of funds as directed by the City. A portion of the funds will be deposited into a fund established pursuant to the Escrow Agreement dated July 1, 2017 (the "Escrow Agreement"), between the Authority and U.S. Bank National Association, as escrow agent (the "Escrow Agent"). The Bond will be delivered to the Purchaser at such place as shall have been mutually agreed upon by the City and the Purchaser. All other documents to be delivered in connection with the delivery of the Bond shall be delivered at the offices of Bond Counsel in Sacramento, California. Such payment and delivery is herein called the "Closing."

6. **Representations, Warranties, and Covenants of the City**. The City represents, warrants, and covenants with the Purchaser that:

(a) Due Organization. The City is a general law city and municipal corporation duly organized and existing under the laws of the State. and has all necessary power and authority to enter into and perform its duties under the City Agreements (defined below) and, when duly authorized, executed and delivered by the other parties thereto, the City Agreements will each constitute a legal, valid and binding obligation of the City enforceable in accordance with its respective terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally

(b) Power and Authority. The City has full right, power and authority to (i) execute, deliver and perform its obligations under the Bond Issuance Agreement, the First Amendment to Installment Purchase Contract, and this Purchase Agreement (collectively, the "City Agreements"), (ii) to issue, execute, sell, and deliver the Bond to the Purchaser as provided herein; and (iii) to carry out all transactions contemplated by each of the City Agreements and the Bond.

(c) Official Action. The City has, by Resolution No. ____, adopted by a majority of the members of the City Council at a meeting duly called, noticed and conducted, at which a quorum was present and acting throughout, on June 20, 2017 (the "City Resolution"), taken all official action necessary to be taken by it for (i) the execution, delivery and due performance of the City Agreements, (ii) the issuance, sale and delivery of the Bond, and (iii) the taking of any and all such action as may be required on the part of the City to carry out, give effect to and consummate the transactions contemplated hereby. As of the date hereof, such authorization is in full force and effect and has not been amended, modified or rescinded.

(d) Validity of Agreements. When executed and delivered, each of the City Agreements and the Bond will constitute valid and binding obligations of the City enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally.

(e) Consents. To the best of knowledge of the City, all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter that would constitute a condition precedent to the due performance by the City of its obligations under the City Agreements or the Bond have been duly obtained or made, and are, and will be on the Closing Date, in full force and effect.

(f) No Violation of Law. The City is not currently, in any material respect, in violation of any applicable constitutional provision, law, or administrative regulation to which it is subject or any applicable judgment or decree; and the issuance, sale, and delivery of the Bond, the execution and delivery of the City Agreements, and compliance with the City's obligations therein, will not violate any applicable constitutional provision, law, administrative regulation, judgment, or decree.

(g) No Breach of Contracts. The City is not currently, in any material respect, in breach of or default under any loan agreement, indenture, bond, note, resolution, agreement, or other instrument to which the City is a party or to which the City or any of its property or assets is otherwise subject, and no event has occurred and is continuing that with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the issuance, sale, and delivery of the Bond, the execution and delivery of the City Agreements, and compliance with the City's obligations therein, will not result in a breach of or constitute a default under any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject, nor will any such issuance, sale, execution, delivery, or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the City, except as provided by the Bond Issuance Agreement.

(h) No Additional Debt. Between the date of this Purchase Agreement and the date of the Closing, the City will not, without the prior written consent of the Purchaser, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, payable from the Net Wastewater Revenues.

(i) Compliance. At the date hereof and on the Closing Date, the City will be in compliance in all respects with the material covenants and agreements contained in the City Agreements; and no event of default and no event has occurred and is continuing that, with the passage of time or giving of notice, or both, would constitute an event of default thereunder shall have occurred and be continuing.

(j) No Litigation. To the best knowledge of the City, after due investigation, other than as the City has otherwise disclosed, in writing, to the Purchaser, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, or by or before any court, governmental agency, public board or body, pending or threatened against the City, (i) wherein an unfavorable decision, ruling or finding would adversely affect the existence of the City or the title of any official of the City to such person's office, or (ii) seeking to restrain or enjoin the issuance, sale or delivery of the Bond; or (iii) in any way contesting or affecting the validity or enforceability of the City Agreements or the Bond, or (iv) contesting the power of the City or its authority with respect to the authorization, execution, delivery or performance by the City of the City Agreements; or (v) contesting the exclusion of interest on the Bond from gross income for federal and State income tax purposes.

(k) Certifications. Any certificate signed by any officer of the City and delivered to the Purchaser pursuant to the Bond Issuance Agreement or this Purchase Agreement or any document contemplated thereby shall be deemed a representation and warranty by the City to the Purchaser as to the statements made therein and that such officer shall have been duly authorized to execute the same.

7. **Conditions to the Purchaser's Obligations**. The Purchaser has entered into this Purchase Agreement in reliance upon the representations, warranties, and obligations of the City contained in the City Agreements and in the other documents and instruments to be delivered on the Closing Date. Accordingly, the Purchaser's obligations under this Purchase Agreement shall be subject to the following conditions:

(a) Representations and Warranties. The representations and warranties of the City contained herein shall be true, complete, and correct in all material respects at the date hereof and at and as of the Closing Date, as if made on and as of the Closing Date and will be confirmed by a certificate or certificates of the appropriate City officers dated the Closing Date; the statements made in the Bond and other documents delivered to the Purchaser on the Closing Date pursuant hereto shall be true, complete, and correct in all material respects on the Closing Date; and the City shall be in compliance with each of the warranties, agreements, and covenants made by it in the City Agreements.

(b) Actions and Obligations. (i) On the Closing Date all actions that, in the opinion of Bond Counsel, are necessary in connection with the transactions contemplated hereby shall have been duly taken and shall be in full force and effect, and (ii) the City shall perform or have performed all of its obligations required under or specified in the City Agreements to be performed on or prior to the Closing Date.

(c) Actions Relating to Documents. As of the date hereof and on the Closing Date, all necessary actions of the City relating to the City Agreements and all other matters with respect to authorization, issuance, execution, sale, and delivery of the Bond shall have been taken and shall be in full force and effect and shall not have been amended, modified, or supplemented in any material respect, except as agreed to in writing by the Purchaser.

(d) No Material Change. Subsequent to the date hereof and up to and including the Closing Date, there shall not have occurred any change in the financial position, results of operations, or condition, financial or otherwise, of the City or in any of the City Agreements, that in the reasonable judgment of the Purchaser would materially impair the investment quality of the Bond.

(e) Receipt of Documents by Purchaser. On or prior to the Closing Date, the Purchaser shall receive copies of each of the following documents, in each case satisfactory in form and substance to the Purchaser:

(1) City Resolution. The resolution of the City Council authorizing the execution, sale, and delivery of the Bond and the execution and delivery of the City Agreements, certified by the City Clerk.

(2) Authority Resolution. The resolution of the Board of the Authority authorizing the execution and delivery of the Escrow Agreement and the First Amendment to Installment Purchase Contract, certified by the Secretary of the Board of the Authority.

(3) Agreements. Fully executed copies of the City Agreements and the Escrow Agreement.

(4) Final Opinion of Bond Counsel. An approving legal opinion of Bond Counsel, dated the Closing Date, in substantially the form included in the form of the Bond attached to the Bond Issuance Agreement, and a letter from Bond Counsel addressed to the Purchaser authorizing the Purchaser to rely on that opinion.

(5) Supplemental Opinion of Bond Counsel. A supplemental opinion of Bond Counsel addressed to the City and the Purchaser, in form and substance acceptable to the Purchaser, dated as of the Closing Date, substantially to the following effect:

(i) this Purchase Agreement has been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery by the Purchaser, constitutes a valid and binding agreement of the City enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws affecting the enforceability of creditors' rights generally, by the application of equitable principles, by the possible unavailability of specific performance or injunctive relief, and by the limitations on legal remedies imposed on actions against public agencies in the State; and

(ii) the Bond is not subject to the registration requirements of the Securities Act of 1933, as amended, and the Bond Issuance Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(6) Defeasance Opinion. The opinion of Bond Counsel with respect to the Prior Bonds, dated the Closing Date and addressed to the Authority, the City, and the Purchaser, to the effect that all of the obligations of the City under the 2009 Installment Sale Agreement have been discharged and that all of the liability of the Authority with respect to the Prior Bonds has ceased and been completely discharged (except that the holders thereof shall be entitled to the payment of the principal, interest and premium with respect to the Prior Bonds from moneys deposited pursuant to the Escrow Agreement), and the Prior Bonds will no longer be considered outstanding under the instruments pursuant to which they were issued.

(7) Opinion of City Attorney. An opinion of the City Attorney, dated the date of Closing and addressed to the City and the Purchaser in substantially the form of Exhibit B;

(8) Certificate of the City. A certificate dated the date of the Closing, signed by the City Manager or other appropriate officer of the City, to the effect that to the best of such officer's knowledge:

(i) the representations and covenants of the City contained herein are true and correct in all material respects on and as of the date of the Closing with the same effect as if made on the Closing Date;

(ii) the City has complied with all the agreements and satisfied all of the conditions on its part to be performed or satisfied at or prior to the Closing;

(iii) there has not been any adverse change of a material nature in the financial position, results of operations, or condition, financial or otherwise, of the City since the date of this Purchase Agreement; and

(iv) the City Resolution remains in full force and effect and has not been amended in any respect, except as approved in writing by the Purchaser.

(9) Parity Debt Certificate of the City. A certificate dated the date of the Closing, signed by the Finance Director of the City or other appropriate officer of the City, to the effect that the conditions precedent to the issuance of the Bond on parity with the City's obligations under (a) the Installment Purchase Contract dated March 1, 2014, as

supplemented by the First Supplemental Installment Purchase Contract dated March 1, 2014, each between the City and the Authority (the "2014 Installment Purchase Contract"), and (b) the Installment Sale Agreements between the State Water Resources Control Board have been satisfied.

(10) Debt Service Coverage. The calculation and Coverage Report required by Section 5.4 (Additional Contracts and City Revenue Bonds) of the 2014 Installment Purchase Contract.

(11) Certificate of the Authority. A certificate dated the date of the Closing, signed by the Executive Director of the Authority or other appropriate officer of the Authority, to the effect that to the best of such officer's knowledge:

(i) the Authority has duly authorized, executed and delivered the Escrow Agreement and the First Amendment to Installment Purchase Contract, which agreements are valid and binding obligations of the Authority enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally; and

(ii) the Authority Resolution remains in full force and effect and has not been amended in any respect, except as approved in writing by the Purchaser.

(12) Certificate of U.S. Bank. A certificate of U.S. Bank National Association ("U.S. Bank") dated the Closing Date, signed by a duly authorized official, in form and substance satisfactory to the Purchaser, to the effect that:

(i) U.S. Bank has duly accepted its duties under the Escrow Agreement; and

(ii) there are no actions or proceedings against U.S. Bank pending (service of process having been accomplished) or overtly threatened in writing, before any court, governmental agency, or arbitrator that (a) seek to affect the validity of the Escrow Agreement or (b) contest the authority of U.S. Bank to enter into or perform its obligations under the Escrow Agreement.

(13) Verification Report. A certificate of Grant Thornton LLP (the "Verification Agent"), independent certified public accountants, dated the Closing Date, to the effect that it has verified the accuracy of the mathematical computations of (a) the adequacy of the maturing principal amounts of the securities to be held by the Escrow Agent, together with the interest earned and to be earned thereon to make full and timely payment of all principal and interest due with respect to the Prior Bonds as are then outstanding and to redeem the Prior Bonds on the specified dates at the then applicable redemption prices and (b) the yields on the Bond and the securities to be held by the Escrow Agent;

(14) Tax Certificate. The Tax Certificate of the City in form and substance acceptable to Bond Counsel and the Purchaser.

(15) IRS Form 8038-G. Form 8038-G together with evidence of its filing.

(16) Additional Documents. Such additional legal opinions, certificates, instruments or evidences thereof and other documents as Bond Counsel and Purchaser's counsel may reasonably request to evidence the due authorization, execution and delivery of the Bond, the City Agreements, and the Escrow Agreement, and the conformity of the Bond with the terms of the Bond Issuance Agreement.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Agreement will be deemed to be in compliance with the provisions hereof if and only if they are in form and substance satisfactory to the Purchaser.

If the City shall be unable to satisfy the conditions to the Purchaser's obligations to purchase the Bond contained in this Purchase Agreement or if the Purchaser's obligations shall be terminated for any reason permitted herein, all obligations of the Purchaser hereunder may be terminated by the Purchaser at, or at any time prior to, the Closing Date by written notice to the City and neither the Purchaser nor the City shall have any further obligations hereunder, except that the respective obligations of the parties set forth in Section 10 (Expenses).

(f) Receipt of Documents by City. At or before Closing, and contemporaneously with the acceptance of delivery of the Bond and the payment of the Purchase Price thereof, the Purchaser will provide to the City:

(1) Receipt for the Bond. The receipt of the Purchaser, in form satisfactory to the City and signed by an authorized officer of the Purchaser, confirming delivery of the Bond to the Purchaser and the satisfaction of all conditions and terms of this Purchase Agreement by the City and confirming to the City that as of the Closing Date all of the representations of the Purchaser contained in this Purchase Agreement are true, complete and correct in all material respects.

(2) Letter of Representations. A Letter of Representations of the Purchaser in substantially the form attached hereto as Exhibit A.

8. **Events Permitting the Purchaser To Terminate.** The Purchaser may terminate its obligation to purchase the Bond before the Closing Date if any of the following occurs:

(a) a material adverse change in the financial condition or general affairs of the City;

(b) an event, court decision, proposed law or rule that may have the effect of changing the federal income tax incidents of the City or of the ownership of the Bond or the interest thereon or the transactions contemplated herein;

(c) an international or national crisis, suspension of stock exchange trading or banking moratorium materially affecting, in the reasonable opinion of the Purchaser, the market value of the Bond; or

(d) failure by the City to fulfill its obligations hereunder at or prior to the Closing Date.

9. **Conditions to Obligations of the City**. The performance by the City of its obligations hereunder is conditioned upon (i) the performance by the Purchaser of its obligations hereunder at or prior to the Closing Date, and (ii) the following additional conditions:

(a) Continued Legality. No order, decree, injunction, ruling, or regulation of any court, regulatory agency, public board, or body shall have been issued, nor shall any legislation have been enacted, with the purpose or effect, directly or indirectly, of prohibiting the issuance, offering, sale, execution, or delivery of the Bond as contemplated hereby or by the City Agreements; and

(b) Opinions and Certificates. The opinions and certificates required to be delivered at the Closing Date under Section 7(e) (Receipt of Documents) of this Purchase Agreement by persons and entities other than the Authority or the City shall have been delivered to the City in form and substance satisfactory to Bond Counsel.

10. **Expenses.** The City shall pay all reasonable out-of-pocket costs and expenses incurred by the Authority, the City, and the Purchaser in connection with the purchase of the Bond whether or not the Bond is issued, including but not limited to: (i) the fees and disbursements of Bond Counsel, the City Attorney; Del Rio Advisors, LLC, Financial Advisor to the City; the Verification Agent; and Purchaser's counsel; and (ii) the fees of the California Debt and Investment Advisory Commission.

11. **Notices**. Any notice or other communication to be given to the City under this Purchase Agreement may be given by delivering the same in writing at the address of the City set forth above, and any notice or other communication to be given to the Purchaser under this Purchase Agreement may be given by delivering the same in writing to:

Compass Mortgage Corporation
Northern California Commercial Banking
1490 Stone Point Drive, Suite 250
Roseville, CA 95661

12. **Parties in Interest**. This Purchase Agreement is made solely for the benefit of the City and the Purchaser (including the successors or assigns of the Purchaser) and no other person shall acquire or have any right hereunder or by virtue hereof. All the representations and warranties of the parties hereto contained in this Purchase Agreement shall remain operative and in full force and effect, regardless of (a) any investigations made by or on behalf of the Purchaser or the City or (b) delivery of and payment for the Bond. The agreements contained in Section 10 (Expenses) herein shall survive any termination of this Purchase Agreement.

13. **Severability**. In the event any provision of this Purchase Agreement shall be held or deemed to be invalid, inoperative or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

14. **Governing Law**. This Purchase Agreement shall be governed and interpreted exclusively by and construed in accordance with the laws of the State applicable to contracts made and to be performed in the State.

15. **Execution in Counterparts**. This Purchase Agreement may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute the Purchase Agreement by signing any such counterpart.

16. **Entire Agreement**. The parties agree that the terms and conditions of this Purchase Agreement supersede those of all previous agreements between the parties, and that this Purchase Agreement contains the entire agreement between the parties hereto. In the event of a dispute between the parties under this Purchase Agreement, the losing party in such dispute shall pay all reasonable costs and expenses incurred by the prevailing party in connection therewith, including but not limited to attorneys' fees.

17. **Effectiveness**. This Purchase Agreement shall be effective as of the date set forth above upon the execution of the acceptance hereof by authorized officers of the City and shall be valid and enforceable as of the time of such acceptance.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Letter Agreement for Purchase by their officers thereunto duly authorized as of the day and year first above written.

COMPASS MORTGAGE CORPORATION

By: ________________________________
Authorized Officer

CITY OF WOODLAND

By: ________________________________

SCHEDULE I

s

Schedule of Principal and Interest Installments

Date	Principal	Interest	Total
9/1/2017			
3/1/2018			
9/1/2018			
3/1/2019			
9/1/2019			
3/1/2020			
9/1/2020			
3/1/2021			
9/1/2021			
3/1/2022			
9/1/2022			
3/1/2023			
9/1/2023			
3/1/2024			
9/1/2024			
3/1/2025			
9/1/2025			
3/1/2026			
9/1/2026			
3/1/2027			
9/1/2027			
3/1/2028			
9/1/2028			
3/1/2029			
9/1/2029			
3/1/2030			
9/1/2030			
3/1/2031			

Redemption Provisions

Casualty Loss or Governmental Taking. The Bond is subject to redemption prior to maturity as a whole on any date or in part (by ratably reducing the remaining scheduled principal installments) on any Interest Payment Date, from prepaid Installment Payments made by the City from funds received by the City due to a casualty loss or governmental taking of the Wastewater System or portions thereof by eminent domain proceedings, under the circumstances and upon the conditions and terms prescribed in the Bond Issuance Agreement, at a redemption price equal to the sum of the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

Optional Redemption. The Bond is also subject to redemption prior to maturity at the option of the City, from moneys deposited by the City from any source of available funds, as a whole or in part (in a minimum amount of $100,000) on any date on or after March 1, 20__, at a redemption price equal to the principal amount of the Bond called for redemption, together with accrued interest to the date fixed for redemption, without premium.

If the Bond is optionally redeemed in part, the amount of the principal to be redeemed shall be applied to reduce the scheduled principal installments in inverse order of their payment dates.

EXHIBIT A

Form of Purchaser's Letter of Representations

[Date]

City of Woodland
300 First Street
Woodland, California 95695

Re: City of Woodland
Wastewater Revenue Refunding Bond, Series 2017

Ladies and Gentlemen:

The undersigned, [name of purchaser] (the "Purchaser"), hereby represents and warrants to you as follows:

1. The Purchaser has purchased on the date hereof the above-referenced bond (the "Bond"), the principal amount of which is $__________, issued pursuant to the Bond Issuance Agreement dated July 1, 2017 (the "Bond Issuance Agreement"), made by the City of Woodland (the "City").

2. The Purchaser has sufficient knowledge and experience in business and financial matters in general, and obligations such as the Bond in particular, to enable the Purchaser to evaluate the Bond, the credit of the City, and the bond terms.

3. The Purchaser will make its own independent credit analysis and decision to purchase the Bond based on an independent examination and evaluation of the transaction and the information provided to the Purchaser by the City or its agents and deemed appropriate, without reliance on the City or its officers, employees, attorneys or agents.

4. The Purchaser acknowledges that no credit rating has been sought or obtained with respect to the Bond.

5. The Purchaser acknowledges that no official statement has been prepared for the Bond, and that the City will not be entering into a continuing disclosure agreement pursuant to SEC Rule 15c2-12 to provide ongoing disclosure respecting the Bond. The Purchaser has been offered copies of or full access to all documents relating to the Bond and all records, reports, financial statements and other information concerning the City and pertinent to the source of payment for the Bond as deemed material by the Purchaser that the Purchaser, as a reasonable investor, has requested and to which the Purchaser, as a reasonable investor, would attach significance in making an investment decision.

6. The Purchaser confirms that its purchase of the Bond constitutes acquisition of an asset that is suitable for its portfolio and consistent with its asset acquisition program and that the

Purchaser is able to bear the economic risk of ownership of the Bond, including a complete loss of value.

7. The Purchaser is purchasing the Bond solely for its own account and not with a present intent to, or in connection with, any distribution, resale, pledging, fractionalization, subdivision or other disposition thereof (subject to the understanding that disposition of Purchaser's property will remain at all times within its control). Because the Purchaser has no immediate intent to trade the Bond, the Purchaser has not obtained a CUSIP number for the Bond or applied for DTC eligibility for the Bond.

8. The Purchaser understands and agrees that ownership of the Bond may be transferred only in whole to a person or entity that executes a letter of representations substantially in the form of this letter.

9. The Purchaser understands that the Bond (i) has not been registered under the Securities Act of 1933, as amended (the "Act"), and (ii) has not been registered or qualified under any state securities or "Blue Sky" laws, and that the Bond Issuance Agreement has not been qualified under the Trust Indenture Act of 1939, as amended.

10. The Purchaser has been furnished with and has examined the Bond, the Bond Issuance Agreement, and other documents, certificates and the legal opinions delivered in connection with the issuance of the Bond.

11. The Purchaser understands that the City and its counsel will rely upon the accuracy and truthfulness of the representations and warranties contained herein and hereby consents to such reliance.

12. The signatory of this letter is a duly authorized officer of the Purchaser with the authority to sign this letter on behalf of the Purchaser.

[PURCHASER]

____

By:
Name:
Title:

EXHIBIT B

Form of Opinion of City Attorney

[closing date]

Compass Mortgage Corporation
[address]

Re: City of Woodland
Wastewater Revenue Refunding Bond, Series 2017
(City Attorney Opinion)

Ladies and Gentlemen:

We serve as City Attorney to counsel to the City of Woodland (the "City").. This opinion is addressed to you pursuant to Section 7(e)(7) of the Letter Agreement for Purchase dated June __, 2017 (the "Purchase Agreement"), between the City and Compass Mortgage Corporation (the "Purchaser"), pursuant to which the Purchaser will purchase the City of Woodland Wastewater Revenue Refunding Bond, Series 2017 (the "Bond"), issued in the principal amount of $[PAR AMOUNT]. The Bond is authorized to be issued pursuant to the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and all laws of the State of California supplemental thereto and pursuant to the provisions of the Bond Issuance Agreement dated July 1, 2017 (the "Bond Issuance Agreement"), made by the City. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Bond Issuance Agreement.

In connection with our role as City Attorney, we have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion. As to questions of fact material to such opinions, we have relied upon representations and information supplied to us by the City and its officials and employees and upon representations and certificates of various other public officials. In the course of our representation, nothing has come to our attention that caused us to believe that any of the factual representations upon which we have relied are untrue, but we have made no other factual investigations.

When used herein, the phrase "to our current actual knowledge" means that, during the course of our representation of the City, no information that would give us current actual knowledge of the inaccuracy of such statement has come to the attention of those attorneys in the firm who have rendered legal services in connection with the representation described in the introductory paragraph of this opinion letter. However, we have not undertaken any independent investigation or inquiry to determine the accuracy of such statement other than inquiry of officials of the City.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, it is our opinion that:

1. The City is a general law city and municipal corporation duly organized and validly existing under the Constitution and laws of the State of California

2. The resolution adopted by the City Council approving and authorizing the execution and delivery of the Bond Issuance Agreement and the Letter Agreement to Purchase (the "City Agreements") was duly adopted at a meeting that was called and held pursuant to law, with all public notice required by law, and at which a quorum was present and acting throughout.

3. The City has full power and authority to adopt or enter into, as applicable, the City Agreements.

4. The City Agreements have each been duly authorized, executed, and delivered by the City and, assuming due authorization, execution, and delivery by and enforceability against the other parties thereto, constitute valid and binding obligations of the City enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium, or other laws relating to or affecting the enforcement of creditors' rights generally; by the application of general principles of equity, including without limitation concepts of materiality, reasonableness, good faith, and fair dealing, regardless of whether considered in a proceeding in equity or at law; the possible unavailability of specific performance or injunctive relief; and by the limitations imposed on actions against governmental entities in the State of California.

5. The authorization, execution, and delivery of the City Agreements by the City and compliance by the City with the provisions thereof do not (i) breach, or result in a default under, any material agreement or other instrument to which the City is a party or by which the City or its properties are bound, (ii) violate applicable provisions of statutory law or regulation, or (iii) to our current actual knowledge breach or otherwise violate any existing obligation of the City under any court order or consent decree. For purposes of this opinion, we have deemed an agreement or instrument to be material only if it obligates the City to payments in any year of more than $100,000.

The opinions set forth above are further qualified as follows:

(a) Our opinions are limited to the matters expressly set forth herein and no opinion is to be implied or may be inferred beyond the matters expressly so stated;

(b) We are licensed to practice law in the State of California; accordingly, the foregoing opinions only apply insofar as the laws of the State of California and the United States may be concerned, and we express no opinion with respect to the laws of any other jurisdiction;

(c) We express no opinion as to the enforceability under certain circumstances of contractual provisions respecting various summary remedies without notice or opportunity for hearing or correction, especially if their operation would work a substantial forfeiture or impose a substantial penalty upon the burdened party;

(d) We express no opinion as to the effect or availability of any specific remedy provided for in the City Agreements under particular circumstances, except that we believe such remedies are, in general, sufficient for the practical realization of the rights intended thereby;

(e) We express no opinion as to the enforceability of any indemnification, contribution, choice of law, choice of forum, or waiver provisions contained in the City Agreements;

(f) We disclaim any obligation to update this opinion for events occurring after the date hereof; and

(g) We express no opinion as to the tax-exempt status of the Bond.

We hereby confirm to you that, to our current actual knowledge, there are no actions or proceedings against the City pending (service of process having been accomplished) before any court, governmental agency, or arbitrator or overtly threatened in writing (i) that seek to restrain or enjoin the execution or delivery of the City Agreements, (ii) that in any way contest the City's power to execute, deliver and perform its obligations under the City Agreements, (iii) that seek to affect the enforceability of the City Agreements, or (iv) wherein an unfavorable decision, ruling, or finding would have a material adverse effect on the City's ability to perform its obligations under the City Agreements.

This letter is furnished by us as City Attorney. No attorney-client relationship has existed or exists between our firm and the Purchaser in connection with the execution and delivery of the City Agreements or by virtue of this letter. This letter is delivered to you solely for the purpose contemplated by the Letter Agreement for Purchase and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person, although it may be included in a transcript of documents prepared in connection with the issuance of the Bond.

Very truly yours,

DRAFT

FIRST AMENDMENT TO
INSTALLMENT PURCHASE CONTRACT

between

the CITY OF WOODLAND

and the

WOODLAND FINANCE AUTHORITY

Dated July 1, 2017

This FIRST AMENDMENT TO INSTALLMENT PURCHASE CONTRACT, dated July 1, 2017 (this "First Amendment"), between the CITY OF WOODLAND, a municipal corporation duly organized and existing under and by virtue of the laws of the State of California (the "City"), and the WOODLAND FINANCE AUTHORITY, a joint exercise of powers agency established pursuant to the laws of the State of California (the "Authority");

W I T N E S S E T H:

WHEREAS, the Authority has heretofore assisted the City to finance and refinance the acquisition of certain improvements to its wastewater collection and treatment facilities pursuant to an Installment Purchase Contract dated March 1, 2014, as supplemented by the First Supplemental Installment Purchase Contract, dated March 1, 2014 (together, the "Installment Purchase Contract"), each between the Authority and the City;

WHEREAS, to secure the repayment of wastewater revenue bonds (the "Bonds") of the Authority issued pursuant to the Trust Agreement dated March 1, 2014 (the "Trust Agreement"), between U.S. Bank National Association, as trustee (the "Trustee"), and the Authority, the Authority assigned its rights under the Installment Purchase Contract to the Trustee;

WHEREAS, Section 5.2(A) (Allocation of Wastewater Revenues – Revenue Fund) of the Installment Purchase Contract requires, among other things, that the City transfer to the Trustee for deposit into the applicable payment fund the moneys required for debt service payments on City Revenue Bonds and Contracts, in accordance with the provisions of the resolution or indenture relating thereto;

WHEREAS, the City and the Authority wish to amend the Installment Purchase Contract to authorize the City to make such debt service payments directly to the owners of City Revenue Bonds or Contracts or the trustee of paying agent for such City Revenue Bonds or Contracts;

WHEREAS, Section 8.2 (Contract Represents Complete Agreement; Amendments) of the Installment Purchase Contract provides that the City and the Authority may amend the Installment Purchase Contract with the consent of the Trustee;

WHEREAS, Section 7.04 (Amendments to Installment Purchase Contract) of the Trust Agreement provides in clause (a) that the Trustee may consent to an amendment if such amendment will not materially adversely affect the interests of the owners of the Bonds or result in any material impairment of the security given by the Trust Agreement for the payment of the Bonds;

WHEREAS, the neither the Installment Purchase Contract nor the Trust Agreement makes the moneys transferred to the Trustee for deposit into payment funds for City Revenue Bonds and Contracts available for the payment of debt service on the Bonds;

WHEREAS the Authority and the City have duly authorized the execution of this First Amendment;

WHEREAS, all acts, conditions, and things required by law to exist, to have happened, and to have been performed precedent to and in connection with the execution and delivery of this First Amendment do exist, have happened, and have been performed in regular and due time, form, and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this First Amendment;

NOW, THEREFORE, the parties hereto agree as follows:

I. **Definitions**. For all purposes of this First Amendment and of any certificate, opinion, or other document herein mentioned, unless the context otherwise requires or unless otherwise defined herein, all defined terms shall have the meanings set forth in the Installment Purchase Contract.

II. **Amendment to Section 5.2(A)**. Section 5.2(A) (Allocation of Wastewater Revenues – Revenue Fund) of the Installment Purchase Contract is hereby amended to read as follows:

> (A) Revenue Fund. On or before each Installment Payment Date, the City shall, from the moneys in the Wastewater Revenue Fund, transfer to the Trustee for deposit in the Revenue Fund a sum equal to the Installment Payment coming due on such Installment Payment Date (less any amount available as capitalized interest). On or before each debt service payment date with respect to the City Revenue Bonds and the Contracts, the City shall, from the moneys in the Wastewater Revenue Fund, pay to the owners thereof or transfer to the trustee or paying agent with respect thereto the amounts coming due thereon on such debt service payment date, without preference or priority, and in the event of any insufficiency of such moneys ratably without any discrimination or preference.
>
> No deposit need be made in the Revenue Fund as Installment Payments if the amount in the Revenue Fund is at least equal to the amount of the Installment Payment due and payable on such Installment Payment Date.

III. **Provisions of the Installment Purchase Contract**. Except as in this First Amendment expressly provided, every term and condition contained in the Installment Purchase Contract shall apply to this First Amendment with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this First Amendment.

This First Amendment and all the terms and provisions herein contained shall form part of the Installment Purchase Contract as fully and with the same effect as if all such terms and provisions had been set forth in the Installment Purchase Contract. The Installment Purchase Contract is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as supplemented and amended hereby.

IV. **Separability of Invalid Provisions**. If any one or more of the provisions contained in this First Amendment shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this First Amendment and such invalidity, illegality, or unenforceability shall not affect any other provision of this First Amendment, and this First Amendment shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The City and the Authority each hereby declares that it would have adopted this First Amendment and each and every other Section, paragraph, sentence, clause, or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this First Amendment may be held illegal, invalid, or unenforceable.

V. **Effect of Headings and Table of Contents**. The headings or titles of the several Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, or effect of this First Amendment.

VI. **Execution in Counterparts**. This First Amendment may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Installment Purchase Contract by their officers thereunto duly authorized as of the day and year first written above.

WOODLAND FINANCE AUTHORITY

By______________________________
Angel Barajas, Administrator

ATTEST:

____
Ana Gonzalez, Secretary

CITY OF WOODLAND

By:______________________________
Angel Barajas, Mayor

ATTEST:

____
Ana Gonzalez, City Clerk

APPROVED AS TO FORM:

____
City Attorney

CONSENT:

U.S. BANK NATIONAL ASSOCIATION,
as trustee under the Trust Agreement

By______________________________

Legislation Text

29.

File #: 17-0540, Version: 1

TO: THE HONORABLE CHAIR AND MEMBERS OF THE SUCCESSOR AGENCY TO THE DISSOLVED WOODLAND REDEVELOPMENT AGENCY

DATE: June 20, 2017

SUBJECT: Approve Refunding of the 2007 Tax Allocation Bonds

Recommendation for Action: Staff recommends that the Successor Agency approve Resolution No. _____, authorizing the Issuance of a Refunding Bond to Refund Tax Allocation Bonds of the Redevelopment Agency of the City of Woodland.

Staff Contact

Kim McKinney, Finance Officer - (530)661-5849, kimberly.mckinney@cityofwoodland.org

Fiscal Impact

The 2007 Tax Allocation Bonds currently have a total of $7,005,000 in outstanding principal. Based on current interest rates, estimated savings for the issuance of refunding bonds would result in total savings of $763,583 or $45,091 per year. The fees of the consultants involved in the refunding (Municipal Advisor, Placement Agent, Bond Counsel) are contingent upon closing the sale of refunding bonds. The costs associated with the Fiscal Consultant ($17,500) are not contingent on bond sale, but in the event that the bonds cannot be sold, the costs can be recovered on the annual Recognized Obligation Payment Schedule ("ROPS").

The annual debt service payments will continue to be the obligation of the Successor Agency (SA), payable from tax increment revenues collected by the County and deposited into the SA's Redevelopment Property Tax Trust Fund ("RPTTF"). Savings that result from the refunding will be available to assist with payment of other enforceable obligations of the SA not currently covered by the exiting RPTTF payments.

Background

On July 31, 2007, the former Redevelopment Agency (RDA), now the Successor Agency to the RDA (SA), issued Tax Allocation Bonds (TA Bonds) in the amount of $8,975,000 to assist with the financing of various redevelopment projects throughout the City's RDA Project Area.

The TA Bonds are currently outstanding in the amount of $7,005,000, with final maturity in December 2034. The principal bond maturities are eligible to be prepaid on December 1, 2017, and on any subsequent date thereafter, without a prepayment penalty. The TA Bonds have interest rates ranging from 4.375% to 4.875%.

Pursuant to Assembly Bill No. X1 26 (AB 26) and Assembly Bill No. 1484 (AB 1484) (collectively referred to as the Dissolution Act), the SA may cause the refinance or refunding of the TA Bonds for debt service savings by issuing, or causing the issuance of, Tax Allocation Refunding Bonds, Series 2017 (2017 TA Bonds) in accordance with the Dissolution Act. Health & Safety Code Section 34177.5 requires that the refunding provide cost savings and meet certain specific tests. Please see the attached Refunding Plan and Savings Analysis provided by the Municipal Advisor along with a complete set of the refunding numbers. Any refunding must be approved by the Successor Agency, Oversight Board (OB) and California Department of Finance (DOF).

The Oversight Board approved a resolution initiating the refunding process on June 8, 2017.

Discussion

The proposed 2017 TA Bonds would be structured to refund in full the existing TA Bonds currently outstanding in the amount of $7.005 million. It is estimated that the 2017 TA Bonds would be issued in an estimated amount of $6.279 million. The amount of the 2017 TA Bond issue is smaller than the $7.005 million outstanding debt on the existing TA Bonds because the existing TA Bonds have a reserve fund that would have been used to make the final payment on these bonds. Those dollars will be contributed to the refunding and used to downsize the amount of the 2017 TA Bond issuance and, since direct placement investors do not require a reserve fund, a reserve fund will not be funded as part of issuing the 2017 TA Bonds. The final maturity of the existing TA Bonds is December 1, 2034 and the final maturity of the 2017 TA Bonds is estimated to be shortened to December 1, 2033.

Given the short term remaining on these bonds (+/- 18 years), the relatively small amount that remains outstanding and the demand for SA debt, the Municipal Advisor has recommended a direct placement for this bond issuance. A full public offering of these 2017 TA Bonds would incur much greater time and expense to complete the process. While the interest rates can be lower on a public offering, when all the costs involved in a public offering are included, a direct placement makes better economic sense.

The SA's issuance of the 2017 TA Bonds requires approval of the SA, OB and the State Department of Finance (DOF). The OB would first consider the refunding and direct the SA to begin the refunding process. This occurred on June 8, 2017. Following SA approval, the documentation will be provided to DOF for consideration.

Assuming DOF approval of these first phase actions is received, a term sheet would be formalized, and the Placement Agent, Brandis Tallman LLC (Placement Agent), would send the term sheet to the universe of direct placement lenders, generally commercial banks that purchase similar obligations.

An assembled Financing Team would then review the term sheet responses, decide on a lender, negotiate any deal terms, and finalize the documents. The final interest rate will not be determined until a lender has been identified, has agreed to all deal terms, and has formally locked the rate on the 2017 TA Bonds prior to closing the transaction. When all refunding documents are in essentially final form, the SA would approve them and return to the OB and DOF for final approval.

However, if DOF withholds initial approval due to material concerns regarding the proposed refinancing, then the transaction can be resubmitted to DOF which may require further SA and the OB reauthorization to move forward

Based on market conditions as of May 2017, issuance of 2017 TA Bonds is estimated to result in total net savings of $763,583 and net present value (NPV) savings of approximately $513,133 which equates to 7.33% in NPV savings. Actual savings will be driven by the final interest rate, which in turn is driven by how quickly the DOF approves the financing and the team can lock the rate with the chosen lender.

The table below highlights the current estimated savings for the 2017 TA Bonds:

Summary of Savings Results for 2017 TA Bonds*	
Total Debt Service Savings	$763,583
Net Present Value Savings ($)	$513,133
Net Present Value Savings (% of Par Value Re	7.33%
Avg. Annual Savings	$45,091

*Projected savings are based on an interest rate from May 2017. The rate is subject to change based on market conditions at the time the rate is locked.

The primary goal of the refunding is to generate savings to the various participating taxing entities, including the City. The issuance of the 2017 TA Bonds will not move forward unless the minimum savings threshold of 3.0% can be achieved, and subject to SA authorization.

Conformance with Section 34177.5(a) Requirements

Del Rio Advisors, LLC has reviewed the savings from the refunding and has determined that the refunding will meet the requirements of Section 34177.5(a). The refunding will provide savings to the SA, as demonstrated above; the total interest cost to maturity on the refunding bonds will be less than the remaining interest cost on the TA Bonds plus the remaining bond principal; and the principal amount of the refunding bonds will not exceed the amount needed to defease the TA Bonds and pay costs of issuance.

At this time, it is not anticipated that other taxing entities will be asked to subordinate their payments to the 2017 TA Bonds. Tax increment revenues are 2.97 times bond payments, and, with such strong coverage, it is unlikely that subordination will be required.

Financing Team Members

Kronick Moskovitz Tiedemann & Girard will act in the role of Bond Counsel, Del Rio Advisors, LLC in the role of Municipal Advisor, Fraser & Associates as Fiscal Consultant, and Brandis Tallman LLC as Placement Agent.

Conclusion

Staff recommends that the Successor Agency approve Resolution No. _____, authorizing the Issuance of a Refunding Bond to Refund Tax Allocation Bonds of the Redevelopment Agency of the City of Woodland.

Prepared by: Kim McKinney, Finance Officer

Paul Navazio, City Manager

Attachements: Plan of Refunding and Savings Analysis
Resolution
Escrow Agreement
Bond Indenture

Successor Agency to the Woodland Redevelopment Agency

Plan of Refunding and Savings Analysis

City Council / Successor Agency Meeting
June 20, 2017

DRALLC
Del Rio Advisors, LLC

Prior Bonds (*)

$8,975,000
Redevelopment Agency of the City of Woodland
Woodland Redevelopment Project
Tax Allocation Bonds, Series 2007
Dated July 31, 2007

- Amount remaining: $7,005,000
- Final maturity: December 1, 2034
- Purpose:
    - Refunded $2,060,000 of outstanding 1996 Tax Allocation Bonds
    - Financed certain redevelopment activities of the Agency
    - Funded a deposit into the Reserve Account
    - Paid the costs associated with the issuance and delivery of the Bonds

Refunding Plan and Estimated Results

- **Financing team will draft a formal term sheet to generate lender interest in purchasing the refunding as a direct placement**
- **Financing team and Successor Agency will determine best bid and notify the lender**
- **Financing team will work with the lender to finalize and document any specific deal terms**
- **Issue refunding bonds in the amount of $6,279,000(*)**
- **Issue will only defease prior bonds and fund costs of issuance**
- **Final maturity of refunding is estimated to be December 1, 2033 which is one year shorter than the final maturity of the prior bonds of December 1, 2034**
- **Reserve fund for the prior bonds will be contributed to make the refunding issue size smaller than the amount of prior bonds outstanding**

Refunding Results(*)	
Total Savings:	$763,583
Avg. Annual Savings:	$45,091/year (2018-2034)
NPV Savings $:	$513,133
NPV Savings %:	7.33% (refunded)

Yield Comparisons(*)	
Prior Bonds Avg. Coupon	4.799%
Refunding Bonds Avg. Coupon	3.900%
Prior Bonds Avg. Life	10.256yrs
Refunding Bonds Avg. Life	9.356yrs

(*) Estimated, subject to change

HSC 34177.5(a) Compliance

34177.5 (a)(1) For the purpose of issuing bonds or incurring other indebtedness to refund the bonds or other indebtedness of its former redevelopment agency or of the successor agency to provide savings to the successor agency, provided that:

(A) the total interest cost to maturity on the refunding bonds or other indebtedness plus the principal amount of the refunding bonds or other indebtedness shall not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded plus the remaining principal of the bonds or other indebtedness to be refunded

Prior Bonds Total Principal and Interest:	$10,452,435.00
Less: Refunding Bonds Total Principal and Interest:	($8,570,051.10)
Gross Savings:	$1,882,383.90
Less: Prior Reserve Fund Adjustment	($698,218.61)
Less: Debt Service Due 12/1/17	($420,582.50)
Total Net Savings	$763,582.79

(B) the principal amount of the refunding bonds or other indebtedness shall not exceed the amount required to defease the refunded bonds or other indebtedness, to establish customary debt service reserves, and to pay related costs of issuance

Per the sources and uses, the refunding is only providing sufficient funds to defease the refunding bonds and pay related costs of issuance. No new reserve fund is required on the refunding.

Subordination

The Successor Agency has the option to request subordination of the pass through payments paid to taxing entities. The table below shows the historical debt service coverage from the Continuing Disclosure Annual Report for Fiscal Year Ended June 30, 2016 as posted on the Electronic Municipal Market Access System ("EMMA"):

HISTORICAL DEBT SERVICE COVERAGE

Fiscal Year	Net Tax Increment Revenue	Series 2007 Bonds Debt Service	Debt Service Coverage
2010/11	$1,024,372	$577,203	1.77
2011/12	1,142,280	577,140	1.98
2012/13	1,733,983	581,359	2.98
2013/14	1,610,940	579,603	2.78
2014/15	1,663,527	577,003	2.88
2015/16	1,721,250	578,653	2.97

Source: Yolo County Office of the Auditor-Controller and City of Woodland Finance Department.

Based on the very strong debt service coverage shown above, the Successor Agency will not be requesting subordination of the pass through payments paid to the taxing entities.

Estimated Sources and Uses of Funds

Successor Agency to the Woodland RDA
Tax Allocation Refunding Bonds, Series 2017
(Tax Allocation Bonds, Series 2007)
Sources and Uses of Funds (Direct Placement)

Sources of Funds		
	Par Amount of Bonds	6,279,000.00
	Less: (OID) Plus: OIP	-
	Less: Underwriter's Discount [1]	-
	Net Proceeds at Closing	6,279,000.00
	Prior Issue Reserve Fund	594,339.48
	Debt Service Due 12/1/17	420,582.50
	Total Other Funds	1,014,921.98
	Total Sources of Funds	**7,293,921.98**
Uses of Funds		
	Cost to Payoff Prior Issue	7,170,582.50
	Beginning Escrow Cash Balance	-
	Reserve Fund [2]	-
	Reserve Fund Surety [3]	-
	Costs of Issuance [4]	123,339.48
	Bond Insurance Premium [5]	-
	Other Use of Funds	-
	Total Uses of Funds	**7,293,921.98**
	Rounding Adjustment	**-**

Assumptions

(1) Not Applicable
(2) Not Applicable
(3) Not Applicable
(4) See Estimated Schedule
(5) Not Applicable

Estimated Costs of Issuance

Successor Agency to the Woodland RDA	
Tax Allocation Refunding Bonds, Series 2017	
(Tax Allocation Bonds, Series 2007)	
Estimated Costs of Issuance	
Bond Counsel	35,000.00
Placement Agent	27,500.00
Financial Advisor	27,500.00
Fiscal Consultant	17,500.00
Lender Counsel	10,000.00
Escrow Agent	750.00
Verification Report	1,500.00
CDIAC	1,569.75
Miscellaneous	2,000.00
Rounding Adjustment	19.73
Total	**123,339.48**

Estimated Refunding Debt Service

Successor Agency to the Woodland RDA
Tax Allocation Refunding Bonds, Series 2017
(Tax Allocation Bonds, Series 2007)
Gross Debt Service Schedule

Tax Year Ending	Principal	Rate	Interest	Annual Debt Service
12/1/2018	239,500	3.900	296,138.70	535,638.70
12/1/2019	303,000	3.900	232,615.50	535,615.50
12/1/2020	314,900	3.900	220,683.45	535,583.45
12/1/2021	327,300	3.900	208,281.45	535,581.45
12/1/2022	340,300	3.900	195,391.95	535,691.95
12/1/2023	353,600	3.900	181,991.55	535,591.55
12/1/2024	367,500	3.900	168,066.60	535,566.60
12/1/2025	382,100	3.900	153,593.70	535,693.70
12/1/2026	397,100	3.900	138,547.50	535,647.50
12/1/2027	412,700	3.900	122,908.50	535,608.50
12/1/2028	429,000	3.900	106,657.20	535,657.20
12/1/2029	445,900	3.900	89,762.40	535,662.40
12/1/2030	463,400	3.900	72,202.65	535,602.65
12/1/2031	481,700	3.900	53,954.55	535,654.55
12/1/2032	500,600	3.900	34,984.95	535,584.95
12/1/2033	520,400	3.900	15,270.45	535,670.45
Totals	**6,279,000**		**2,291,051.10**	**8,570,051.10**

Prior Bonds Debt Service

Successor Agency to the Woodland RDA
Tax Allocation Refunding Bonds, Series 2017
(Tax Allocation Bonds, Series 2007)
Prior Issue Debt Service Schedule

Tax Year Ending	Principal	Rate	Interest	Annual Debt Service
12/1/2017	255,000	4.375	165,582.50	420,582.50
12/1/2018	265,000	4.375	320,008.75	585,008.75
12/1/2019	280,000	4.500	308,415.00	588,415.00
12/1/2020	290,000	4.600	295,815.00	585,815.00
12/1/2021	305,000	4.600	282,475.00	587,475.00
12/1/2022	320,000	4.600	268,445.00	588,445.00
12/1/2023	335,000	4.625	253,725.00	588,725.00
12/1/2024	350,000	4.650	238,231.25	588,231.25
12/1/2025	370,000	4.750	221,956.25	591,956.25
12/1/2026	385,000	4.750	204,381.25	589,381.25
12/1/2027	405,000	4.750	186,093.75	591,093.75
12/1/2028	425,000	4.750	166,856.25	591,856.25
12/1/2029	445,000	4.750	146,668.75	591,668.75
12/1/2030	465,000	4.875	125,531.25	590,531.25
12/1/2031	490,000	4.875	102,862.50	592,862.50
12/1/2032	515,000	4.875	78,975.00	593,975.00
12/1/2033	540,000	4.875	53,868.75	593,868.75
12/1/2034	565,000	4.875	27,543.75	592,543.75
Totals	**7,005,000**		**3,447,435.00**	**10,452,435.00**

Net Debt Service Schedule and Savings Calculation
(Cash Flow NPV Basis)

Successor Agency to the Woodland RDA
Tax Allocation Refunding Bonds, Series 2017
(Tax Allocation Bonds, Series 2007)
Net Debt Service Schedule and Savings Calculation (Cash Flow NPV Basis)

New Issue Reserve Fund	**-**	**Prior Issue Reserve Fund**	**594,339.48**
Investment Yield	**-**	**Investment Yield**	**1.00**

Tax Year Ending	Annual Debt Service	Less: RF Earnings	Net Annual Debt Service	Prior Issue Annual Debt Service	Less: RF Earnings	Less: Contributed Funds	Net Prior Issue Annual Debt Service	Annual (Savings) / Cost	3.89847 Present Value
12/1/2017	-	-	-	420,582.50	(2,971.70)	(420,582.50)	(2,971.70)	2,971.70	2,946.94
12/1/2018	535,638.70	-	535,638.70	585,008.75	(5,943.39)		579,065.36	(43,426.66)	(39,373.85)
12/1/2019	535,615.50	-	535,615.50	588,415.00	(5,943.39)		582,471.61	(46,856.11)	(40,927.54)
12/1/2020	535,583.45	-	535,583.45	585,815.00	(5,943.39)		579,871.61	(44,288.16)	(37,001.11)
12/1/2021	535,581.45	-	535,581.45	587,475.00	(5,943.39)		581,531.61	(45,950.16)	(36,900.57)
12/1/2022	535,691.95	-	535,691.95	588,445.00	(5,943.39)		582,501.61	(46,809.66)	(36,093.63)
12/1/2023	535,591.55	-	535,591.55	588,725.00	(5,943.39)		582,781.61	(47,190.06)	(34,913.56)
12/1/2024	535,566.60	-	535,566.60	588,231.25	(5,943.39)		582,287.86	(46,721.26)	(33,122.10)
12/1/2025	535,693.70	-	535,693.70	591,956.25	(5,943.39)		586,012.86	(50,319.16)	(34,371.48)
12/1/2026	535,647.50	-	535,647.50	589,381.25	(5,943.39)		583,437.86	(47,790.36)	(31,178.78)
12/1/2027	535,608.50	-	535,608.50	591,093.75	(5,943.39)		585,150.36	(49,541.86)	(31,057.63)
12/1/2028	535,657.20	-	535,657.20	591,856.25	(5,943.39)		585,912.86	(50,255.66)	(30,223.28)
12/1/2029	535,662.40	-	535,662.40	591,668.75	(5,943.39)		585,725.36	(50,062.96)	(28,835.19)
12/1/2030	535,602.65	-	535,602.65	590,531.25	(5,943.39)		584,587.86	(48,985.21)	(26,972.36)
12/1/2031	535,654.55	-	535,654.55	592,862.50	(5,943.39)		586,919.11	(51,264.56)	(27,140.14)
12/1/2032	535,584.95	-	535,584.95	593,975.00	(5,943.39)		588,031.61	(52,446.66)	(26,639.69)
12/1/2033	535,670.45	-	535,670.45	593,868.75	(13,552.24)		580,316.51	(44,646.06)	(21,328.83)
12/1/2034	-	-	-	592,543.75	(592,543.75)		-	-	-
Totals	**8,570,051.10**	**-**	**8,570,051.10**	**10,452,435.00**	**(698,218.61)**		**9,333,633.89**	**(763,582.79)**	**(513,132.80)**
								Savings % New	**8.17%**
								Savings % Prior	**7.33%**

Refunding Steps

- The Oversight Board considers the savings and formally requests the Successor Agency pursue the refunding
- The Successor Agency adopts a resolution approving the issuance of refunding bonds and all related documents moving the item to the Oversight Board for review
- The Oversight Board adopts a resolution approving the issuance of refunding bonds and all related documents
  - Determination of significant potential savings
  - Approve filing of Plan of Refunding and Savings Analysis
    - Yolo County Administrative Officer
    - Yolo County Auditor-Controller
    - State of California Department of Finance
  - Approve bond documents
  - Authorize other actions to expedite California Department of Finance review and approval
- The State of California Department of Finance ("DOF") has five (5) days to respond to receipt of the OB Resolution, bond documents and the Plan of Refunding and Savings Analysis and another sixty (60) days to review and approve the refunding

Financing Team

- City/Successor Agency Staff
  - Paul Navazio, City Manager / Executive Director
  - Kimberly McKinney, Finance Officer / Treasurer
  - Ana Gonzalez, City Clerk
- Bond Counsel Kronick Moskovitz Tiedemann & Girard
- Placement Agent Brandis Tallman LLC
- Municipal Advisor Del Rio Advisors, LLC
- Fiscal Consultant Fraser & Associates

Refunding Schedule(*)

Date	Item
May - June 2017	1st Draft Bond Documents and Resolutions Draft Refunding Plan and Savings Analysis Fiscal Consultant's Report
June 13, 2017	SA Approval for OB Submittal
TBD	OB Approval for DOF Submittal
July - August 2017	DOF Review and Approval Term Sheet Sent to Lenders Review Term Sheet Responses and Select Lender
September 2017(*)	Finalize Documents Close Transaction

* Tentative, Subject to Timing of DOF Approval

RESOLUTION NO. ______

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF WOODLAND AUTHORIZING THE ISSUANCE OF A REFUNDING BOND TO REFUND TAX ALLOCATION BONDS OF THE REDEVELOPMENT AGENCY OF THE CITY OF WOODLAND

WHEREAS, pursuant to Section 34173 of the California Health and Safety Code (all sections referenced hereafter being to such code), the City of Woodland has become the successor entity (the "Successor Agency") to the Woodland Redevelopment Agency (the "Former Agency"), which has been dissolved;

WHEREAS, prior to its dissolution, the Former Agency, for the purpose of financing redevelopment activities, issued its Redevelopment Agency of the City of Woodland, Woodland Redevelopment Project Tax Allocation Bonds, Series 2007A (the "Prior Bonds"), in the aggregate principal amount of $7,295,000, of which $7,005,000 principal amount is currently outstanding);

WHEREAS, the Oversight Board for the Successor Agency, by its Resolution No. ____-OB adopted June 8, 2017, directed the Successor Agency to undertake the refunding of all the Prior Bonds that are currently outstanding (the "Refunded Prior Bonds"), and to engage the necessary financial professionals to accomplish the refunding;

WHEREAS, pursuant to the foregoing direction and approval, the Successor Agency has now determined to issue a bond to be designated its Woodland Redevelopment Project, 2017 Tax Allocation Refunding Bonds (the "Bond") to refund all of the Refunded Prior Bonds;

WHEREAS, the following documents and proposed agreements relating to the issuance, sale and delivery of the Bond, which are incorporated herein by reference, have been presented to the Board of Directors of the Successor Agency (the "Board") for its review and approval:

1. an indenture (the "Indenture") between the Successor Agency and U.S. Bank National Association, as Trustee, pursuant to which the Successor Agency will issue the Bond; and

2. an escrow agreement between the City and U.S. Bank National Association, as escrow agent, that provides for the deposit of funds sufficient to retire the Refunded Prior Bonds (the "Escrow Agreement");

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Successor Agency to the Redevelopment Agency of the City of Woodland that:

Section 1. Recitals. The foregoing recitals are true and correct and the Board so finds and determines.

Section 2. Engagement of Professionals. Pursuant to the authorization of the Oversight Board, the Successor Agency hereby makes the following appointments for purposes of the refunding transaction: Del Rio Advisors, LLC, as financial advisor (the "Financial Advisor"); Brandis Tallman LLC, as placement agent (the "Placement Agent"); Fraser and Associates as fiscal consultant; and Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation, as bond counsel.

Section 3. Authorization of Officers to Execute and Deliver Documents. The Board hereby authorizes and directs the Chairperson, the Executive Director, Treasurer, the Controller, and the Secretary (the "Designated Officers"), and each of them individually, for and in the name of the Successor Agency, to approve, execute, and deliver the following agreements and documents:

a. the Indenture, and

b. the Escrow Agreement,

in substantially the form of each presented to the Board at this meeting, which documents are hereby approved, with such changes, insertions, revisions, corrections, or amendments as shall be approved by the officer or officers executing the document for the Successor Agency. The execution of the foregoing documents by a Designated Officer or Officers shall constitute conclusive evidence of such officer's or officers' and the Board's approval of any such changes, insertions, revisions, corrections, or amendments to the respective forms of documents presented to the Board at this meeting.

Section 4. Authorization to Issue Bond. The Board hereby authorizes the issuance of the Bond in accordance with the terms of the Indenture, as finally executed; provided that, in conformity with Section 34177.5:

(a) the total interest cost to maturity of the Bond plus the principal amount of the Bond does not exceed the total remaining interest cost to maturity on the Refunded Prior Bonds plus the remaining principal of the Refunded Prior Bonds, and

(b) the principal amount of the Bond does not exceed the amount required to defease the Refunded Prior Bonds, to establish customary debt service reserves, and to pay related costs of issuance.

Section 5. Authorization of Sale. The Board hereby authorizes the sale of the Bond by private placement with a bank or other financial institution; provided that the net present value of the debt service savings from the refunding is at least three percent (3%) of the par amount of the Refunded Prior Bonds. The Board hereby authorizes the Designated Officers, and each of them individually, on behalf of this Board, and in conjunction with the Placement Agent, negotiate the final terms of the sale of the Bond to a bank or other financial institution.

Section 6. Execution of the Bond. The Chairperson and the Secretary are hereby authorized and directed to execute the Bond on behalf of the Successor Agency. Such execution as herein provided shall be a sufficient and binding execution of the Bond by the Successor Agency.

Section 7. General Authorization. The Board hereby authorizes and directs the Designated Officers, and each of them, for and in the name of and on behalf of the Board, to do any and all things and to execute and deliver any and all documents that they may deem necessary or advisable in order to complete the sale, issuance, and delivery of the Bond and otherwise to carry out, give effect to, and comply with the terms and intent of this resolution. All actions heretofore taken by such officers and agents that are in conformity with the purposes and intent of this resolution are hereby ratified, confirmed and approved in all respects.

Section 8. Effective Date. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Successor Agency to the Woodland Redevelopment Agency this 20th day of June 2017, by the following vote:

AYES:
NOES:
ABSENT:

Angel Barajas, Chairperson

ATTEST;

Ana B. Gonzalez, Secretary

ESCROW AGREEMENT

between the

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF WOODLAND**

and

**U.S. BANK NATIONAL ASSOCIATION
as Escrow Agent**

Dated September 1, 2017

relating to the

current refunding of the
Redevelopment Agency of the City of Woodland
Woodland Redevelopment Project
Tax Allocation Bonds, Series 2007A
(Issued: July 31, 2007)

ESCROW AGREEMENT

This ESCROW AGREEMENT dated September 1, 2017 (this "Escrow Agreement"), between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF WOODLAND (the "Successor Agency"), a public body, corporate and politic, duly established and existing under the Constitution and laws of the State of California, as successor agency to the Redevelopment Agency of the City of Woodland (the "Former Agency"), and U.S. BANK NATIONAL ASSOCIATION (the "Bank"), a national banking association duly organized and existing under and by virtue of the laws of the United States of America and being qualified to accept and administer the escrow hereby created as escrow agent (the "Escrow Agent"),

WITNESSETH:

WHEREAS, the Former Agency issued $7,295,000 principal amount of its Woodland Redevelopment Project Tax Allocation Bonds, Series 2007A (the "Prior Bonds"), pursuant to the terms of the Indenture dated July 1, 2007 (the "Prior Indenture"), between the Former Agency and U.S. Bank National Association, as trustee thereunder (the "Prior Trustee"), of which $7,005,000 principal amount is currently outstanding, to finance and refinance redevelopment activities within or of benefit to the Woodland Redevelopment Project Area in the City of Woodland (the "City");

WHEREAS, the Successor Agency has determined to refund all of the outstanding Prior Bonds and has authorized the issuance of its Woodland Redevelopment Project, 2017 Tax Allocation Refunding Bond (the "Refunding Bond"), to provide funds to pay and redeem the Prior Bonds;

WHEREAS, the Successor Agency has taken action to cause to be made available for purchase by the Escrow Agent, from amounts on deposit in the Escrow Fund (as that term is later defined) certain direct noncallable United States Treasury obligations listed on Schedule I attached hereto and made a part hereof, in an aggregate principal amount that, together with the money deposited in the Escrow Fund at the same time as such deposit and the income to accrue on such securities, will be sufficient to pay the principal of and interest on the Prior Bonds through December 1, 2017, and to pay the redemption price of the Prior Bonds that mature on and after December 1, 2018, on December 1, 2017;

WHEREAS, the provisions of the Prior Indenture are incorporated herein by reference as if set forth herein in full;

NOW, THEREFORE, the Successor Agency and the Escrow Agent hereby agree as follows:

Section 1. Escrow Fund. Establishment and Funding of Escrow Fund. (a) The Escrow Agent agrees to establish and maintain a fund for the Prior Bonds designated as the "Escrow Fund" until the Prior Bonds have been paid or redeemed as provided herein. All money in the Escrow Fund is hereby irrevocably pledged to secure the payment and redemption of the Prior Bonds as provided herein; provided that any money held in the Escrow Fund that is not used for the payment or redemption of the Prior Bonds shall be repaid to the City free from the trust created by this Escrow Agreement.

The Escrow Agent shall, on the date of execution and delivery of this Escrow Agreement, accept from [PURCHASER], on behalf of the Successor Agency, a portion of the proceeds of the Refunding Bond in the amount $____________, and shall deposit that amount in the Escrow Fund. The Successor Agency hereby directs U.S. Bank National Association, as Prior Trustee, on the date of execution and delivery of this Escrow Agreement, to transfer to the Escrow Agent for deposit into the Escrow Fund $____________ from the Reserve Account and $___________ from the Tax Revenue Fund, each established by the Prior Indenture.

(b) Investment of Money in the Escrow Fund. The Successor Agency hereby directs the Escrow Agent to purchase the Escrow Securities at the price of $_____________ from the amounts in the Escrow Fund and retain the balance of such amounts, $_______, in cash uninvested.

Any receipts on investments made pursuant to this section in excess of the cost of such investments that are not needed for the redemption of the Prior Bonds shall be remitted to the Successor Agency free from the trust created by the Escrow Agreement. The Escrow Agent shall not be liable or responsible for any loss resulting from any investment made pursuant to this section and in full compliance with the provisions hereof.

(c) Payment from the Escrow Fund. The Successor Agency hereby irrevocably instructs the Escrow Agent, and the Escrow Agent hereby agrees, to collect and deposit in the Escrow Fund the interest on and principal of the Escrow Securities promptly as such interest and principal become due, and use such interest and principal, together with the money initially deposited in the Escrow Fund to pay the interest on and principal or redemption price of the Prior Bonds as set forth in Schedule II attached hereto.

(d) Deficiencies in the Escrow Fund. If at any time it appears to the Escrow Agent that the money in the Escrow Fund will not be sufficient to make all payments required by Section 1 hereof, the Escrow Agent shall notify the Successor Agency in writing as soon as reasonably practicable of such fact, stating the amount of such deficiency and the reason therefor (if known to it), and the Successor Agency shall use its best efforts to obtain and deposit with the Escrow Agent for deposit in the Escrow Fund, from any legally available moneys, such additional money as may be required to provide for the timely making of all such payments. The Escrow Agent shall in no event or manner be responsible for the failure of the Successor Agency to make any such deposit.

Section 2. Notices of Defeasance and Redemption. The Successor Agency hereby irrevocably instructs the Escrow Agent, in accordance with the terms and conditions of the Prior Indenture to provide notice of defeasance of the Prior Bonds and notice of redemption for the Prior Bonds that mature on and after December 1, 2018, such notices to be provided in the time and manner specified in the Prior Indenture and substantially in the forms shown in Exhibit A and Exhibit B.

Section 3. Termination. Upon the completion of the payments required from the Escrow Fund and the transfer of any moneys remaining in the Escrow Fund to the City, this Escrow Agreement shall be terminated and of no further force or effect.

Section 4. Compensation and Indemnification of the Escrow Agent. (a) Payment for Services. The Successor Agency shall pay the Escrow Agent a fee for its services hereunder and shall reimburse the Escrow Agent for its out-of-pocket expenses incurred by the Escrow Agent in connection with these services, all as more particularly agreed upon by the Successor Agency and the Escrow Agent; provided that these fees and expenses shall in no event be deducted from the Escrow Fund. Under no circumstances shall the Escrow Agent assert a lien on the Escrow Fund for any of its fees or expenses.

(b) Indemnification. The Successor Agency agrees to indemnify the Escrow Agent, its directors, agents, and its officers or employees for, and hold the Escrow Agent, its directors, agents, and its officers or employees harmless from, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind (including, without limitation, reasonable fees and disbursements of counsel or accountants for the Escrow Agent) that may be imposed on, incurred by, or asserted against the Escrow Agent or such other party at any time by reason of its performance of Escrow Agent's services, in any transaction arising out of this Escrow Agreement or any of the transactions contemplated herein, unless due to the negligence or willful misconduct of the particular indemnified party.

(c) Survival of Obligations. The obligations of the Successor Agency hereunder to the Escrow Agent shall survive the termination or discharge of this Escrow Agreement or the resignation or removal of the Escrow Agent.

Section 5. Functions of the Escrow Agent; Immunities.

(a) Application of Funds. Moneys held by the Escrow Agent hereunder are to be held and applied for the refunding of the Prior Bonds in accordance with the Prior Indenture and this Escrow Agreement.

(b) No Implied Duties. The Escrow Agent undertakes to perform only such duties as are expressly and specifically set forth in this Escrow Agreement and no implied duties or obligations shall be read into this Escrow Agreement against the Escrow Agent.

(c) Reliance on Documents. The Escrow Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, and shall be protected and indemnified as stated in this Escrow Agreement, in acting, or refraining from acting, upon any written notice, instruction, request, certificate, document, report or opinion furnished to the Escrow Agent and reasonably believed by the Escrow Agent to have been signed or presented by the proper party, and it need not investigate any fact or matter stated in such notice, instruction, request, certificate, document, report or opinion.

(d) Escrow Agent's Immunities. The Escrow Agent shall not have any liability hereunder except to the extent of its own negligence or willful misconduct. In no event shall the Escrow Agent be liable for any special, indirect or consequential damages, even if parties know of the possibility of such damages. The Escrow Agent shall have no duty or responsibility under this Escrow Agreement in the case of any default in the performance of covenants or agreements contained in the Prior Indenture, or in the case of the receipt of any written demand with respect to such default. The Escrow Agent is not required to resolve conflicting demands to money or property in its possession under this Escrow Agreement.

(e) Reliance on Advice of Counsel. The Escrow Agent may consult with counsel of its own choice (which may be counsel to the Successor Agency) and the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action in accordance with such opinion of counsel.

(f) Not Responsible for Agency's Representations. The Escrow Agent shall not be responsible for any of the recitals or representations by the Successor Agency contained herein.

(g) Other Transactions. The Escrow Agent may engage or be interested in any financial or other transaction with the Successor Agency.

(h) Not Responsible for Sufficiency. The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of the moneys to make the payments of principal and interest with respect to the Prior Bonds in accordance with the terms and conditions herein.

(i) Not Responsible for Acts or Omissions of the Successor Agency. The Escrow Agent shall not be liable for any action or omission of the Successor Agency under this Escrow Agreement or the Prior Indenture.

(j) Reliance On Agency Certification. Whenever in the administration of the trust of this Escrow Agreement, the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be deemed to be conclusively proved and established by a certificate of the Successor Agency, and such certificate shall, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be full warrant to the Escrow Agent for any action taken or suffered by it under the provisions of this Escrow Agreement upon the faith thereof.

(k) Accounting. The Escrow Agent will provide the Successor Agency with a final accounting of the funds maintained hereunder upon the redemption of the Prior Bonds.

(l) Bank's Funds Not at Risk. None of the provisions of this Escrow Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder.

(m) Use of Agents. The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

(n) Force Majeure. The Escrow Agent shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the Escrow Agent and could not have been avoided by exercising due care. Force majeure shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

(o) Communication of Instructions. The Escrow Agent agrees to accept and act upon instructions or directions pursuant to this Escrow Agreement sent by unsecured e-mail, facsimile transmission, or other similar unsecured electronic methods, provided that, the Escrow Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Successor Agency elects to give the Escrow Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Agent in its discretion elects to act upon such instructions, the Escrow Agent's understanding of such instructions shall be deemed controlling. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Successor Agency agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 6. Merger or Consolidation of the Escrow Agent. Any company into which the Escrow Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business shall be the successor to the Escrow Agent and vested with all of the title to the Escrow Fund and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 7. Amendment of this Escrow Agreement. This Escrow Agreement may not be revoked or amended by the parties hereto unless there shall first have been filed with the Successor Agency and the Escrow Agent (i) an unqualified opinion of bond counsel that such amendment will not adversely affect the excludability from gross income for federal income tax purposes of interest evidenced by the refinancing or the Prior Bonds, and (ii) unless such amendment is not materially adverse to the interests of the registered owners of the Prior Bonds, as evidenced by an opinion of counsel, the written consent of the registered owners of all Prior Bonds then outstanding.

Section 8. Governing Law. This Escrow Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 9. Notices. All notices and communications hereunder shall be in writing and shall be deemed to be duly given if received or sent by first class mail, as follows:

If to the Successor Agency:

Successor Agency to the Redevelopment Agency of the City of Woodland
300 First Street
Woodland, CA 95695
Attention: Treasurer

If to the Escrow Agent:

U.S. Bank National Association
One California Street, Suite 1000
San Francisco, CA 94111
Attention: Global Corporate Trust Services

Section 10. Severability. If any section, paragraph, sentence, clause or provision of this Escrow Agreement is for any reason held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, sentence, clause or provision shall not affect any of the remaining provisions of this Escrow Agreement.

Section 11. Definitions. Unless the context otherwise requires, capitalized terms used herein have the meanings specified in the Prior Indenture.

Section 12. Execution. This Escrow Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same agreement.

[Signature page follows]

IN WITNESS WHEREOF, the Successor Agency and the Escrow Agent have caused this Escrow Agreement to be executed each on its behalf as of the day and year first above written.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF WOODLAND

By:________________________________
Treasurer

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent

By:________________________________
Authorized Officer

EXHIBIT A

NOTICE OF DEFEASANCE

OF THE

Redevelopment Agency of the City of Woodland
Woodland Redevelopment Project
Tax Allocation Bonds, Series 2007A
(Issued July 31, 2007)

NOTICE IS HEREBY GIVEN pursuant to the Indenture dated July 1, 2007 (the "Indenture"), between the Redevelopment Agency of the City of Woodland (the "Former Agency") and U.S. Bank National Association, as trustee thereunder, which authorized and provided for the issuance and sale of the above-captioned bonds (the "Refunded Bonds"), that the Successor Agency to the Former Agency has deposited in escrow with U.S. Bank National Association, as its escrow agent (the "Escrow Agent"), money in the necessary amount (as evidenced in a verification report provided to the Escrow Agent) to pay the principal of and interest on the Refunded Bonds to and including December 1, 2017, and to redeem all of the Refunded Bonds that mature on and after December 1, 2018, on December 1, 2017.

The owners of the Refunded Bonds are no longer entitled to the pledge of assets made under the Indenture. All agreements and covenants of the Former Agency contained in the Indenture with respect to the Refunded Bonds have been released and have ceased, terminated, become void and have been discharged and satisfied, except for the obligation to pay the interest on and the principal or redemption price of the Refunded Bonds, but only from moneys on deposit with the Escrow Agent.

The Escrow Agent will send a notice of redemption to the owners of the Refunded Bonds that mature on and after December 1, 2018, prior to the redemption date in accordance with the requirements of the Indenture.

THIS IS NOT A NOTICE OF REDEMPTION. THIS NOTICE OF DEFEASANCE IS FOR INFORMATION PURPOSES ONLY, AND DOES NOT REQUIRE OR SOLICIT THE PRESENT SURRENDER OF THE DESCRIBED REFUNDED BONDS.

DATED: (date of notice generation) U.S. Bank National Association, as escrow agent

EXHIBIT B

NOTICE OF REDEMPTION

of the

Redevelopment Agency of the City of Woodland
Woodland Redevelopment Project
Tax Allocation Bonds, Series 2007A
(Issued July 31, 2007)

NOTICE IS HEREBY GIVEN pursuant to the Indenture dated July 1, 2007 (the "Indenture"), which authorized and provided for the issuance and sale of the above-captioned bonds (the "Bonds"), that:

The Successor Agency to the Redevelopment Agency of the City of Woodland (the "Successor Agency") has called for redemption, on December 1, 2017 (the "Redemption Date"), all of the outstanding Bonds that mature on and after December 1, 2018 (the "Refunded Bonds"), which are currently outstanding in an aggregate principal amount of $6,750,000, at a redemption price equal to 100% of the principal amount of the Refunded Bonds called for redemption, plus interest accrued thereon to the Redemption Date.

The Refunded Bonds are further identified as follows:

Maturity Date (March 1)	Principal Amount	Interest Rate	CUSIP[1]
2018	$ 265,000	4.375%	979565 BA5
2019	280,000	4.500	979565 BB3
2020	290,000	4.600	979565 BC1
2021	305,000	4.600	979565 BD9
2022	320,000	4.600	979565 BE7
2023	335,000	4.625	979565 BF4
2024	350,000	4.650	979565 BG2
2029*	2,030,000	4.750	979565 BK3
2034*	2,575,000	4.875	979565 BL1

*Term Bonds

The redemption price of the Refunded Bonds shall become due and interest on the Refunded Bonds shall cease to accrue from and after the Redemption Date.

On the Redemption Date, the Bonds shall be surrendered at the office of U.S. Bank National Association, as trustee, at the address shown below for redemption.

[1] The Successor Agency and the Escrow Agent are not responsible for the use of the CUSIP number(s) selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Refunded Bond. They are included solely for the convenience of the owners.

Delivery Instructions:
U.S. Bank
Global Corporate Trust Services
111 Fillmore Ave E
St. Paul, MN 55107

IMPORTANT NOTICE

Under the Jobs Growth Tax Relief Reconciliation Act of 2003 (the "Act"), 28% will be withheld if tax identification number is not properly certified. Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your securities.

DATED: __________, 2017 U.S. Bank National Association, as escrow agent

SCHEDULE I

ESCROW SECURITIES

Type	Principal Amount	Interest Rate	Price	Maturity Date

SCHEDULE II

PAYMENT AND REDEMPTION SCHEDULE

Payment Date	Principal	Interest	Redemption Price	Total
December 1, 2017	$255,000	$165,582.50	100%	$420,582.50

INDENTURE

between

U.S. BANK NATIONAL ASSOCIATION

as Trustee

and the

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF WOODLAND

Dated September 1, 2017

relating to the
Successor Agency to the
Redevelopment Agency of the City of Woodland
Woodland Redevelopment Project
2017 Tax Allocation Refunding Bond

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INDENTURE

This INDENTURE, dated September 1, 2017, between U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as trustee (the "Trustee"), and the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF WOODLAND, a public body, corporate and politic, duly established and existing under the Constitution and laws of the State of California (the "Agency"), as successor agency to the Redevelopment Agency of the City of Woodland (the "Former Agency");

W I T N E S S E T H:

WHEREAS, the Former Agency was established under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the California Health and Safety Code (the "Redevelopment Law");

WHEREAS, a Redevelopment Plan for the Woodland Redevelopment Project Area (the Project Area") in the City of Woodland, California, was adopted in compliance with all requirements of the Redevelopment Law;

WHEREAS, the Agency is the designated successor entity to the Former Agency and is authorized to transact business and exercise powers under the Redevelopment Law and the provisions of Part 1.85 of the California Health and Safety Code (the "Dissolution Law"), including the power to issue bonds under the authority of Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code to refund bonds issued by the Former Agency;

WHEREAS, to finance and refinance redevelopment activities within or of benefit to the Project Area, the Former Agency previously issued its Redevelopment Agency of the City of Woodland, Woodland Redevelopment Project Tax Allocation Bonds, Series 2007A (the "Prior Bonds"), in the aggregate principal amount of $7,295,000 (the "Prior Bonds");

WHEREAS, prudent management of the fiscal affairs of the Agency requires that the Agency issue a refunding bond under the provisions of Article 11 (Sections 53580 and following) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code to refund the Prior Bonds maturing on or after December 1, 2018 (the "Refunded Bonds");

WHEREAS, to provide funds to refinance the Refunded Bonds, the Agency has duly authorized the creation, execution, and delivery of its bond of substantially the tenor hereinafter provided designated its "Successor Agency to the Redevelopment Agency of the City of Woodland, Woodland Redevelopment Project 2017 Tax Allocation Refunding Bond" (the "Bond");

WHEREAS, the Agency has determined that:

(A) the total interest cost to maturity on the Bond plus the principal amount of the Bond does not exceed the total remaining interest cost to maturity on the Refunded Bonds plus the remaining principal of the Refunded Bonds, and

(B) the principal amount of the Bond does not exceed the amount required to defease the Refunded Bonds, to establish customary debt service reserves, and to pay related costs of issuance;

WHEREAS, the Agency has determined to enter into this Indenture in order to provide for the authentication and delivery of the Bond, to establish and declare the terms and conditions upon which the Bond shall be issued and secured and to secure the payment of the principal thereof and premium (if any) and interest thereon;

WHEREAS, the execution and delivery of this Indenture has in all respects been duly and validly authorized by resolutions duly passed and approved by the Agency and the Oversight Board of the Successor Agency to the Woodland Redevelopment Agency (the "Oversight Board");

WHEREAS, the actions of the Oversight Board regarding the issuance of the Bond have been duly reviewed and approved by the California Department of Finance, as stated in a letter from the Department of Finance dated _____________, 2017; and

WHEREAS, the Agency has determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and the entering into of this Indenture do exist, have happened, and have been performed in regular and due time, form, and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Indenture;

NOW, THEREFORE, THIS INDENTURE WITNESSETH that, in order to secure the payment of the principal of and the interest and premium, if any, on the Bond issued, authenticated and delivered hereunder and to provide the terms and conditions under which all property, rights, and interests hereby assigned and pledged are to be dealt with and disposed of, and to secure performance and observance of the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes hereinafter expressed, and in consideration of the premises and of the material covenants herein contained and of the purchase and acceptance of the Bond by the Owner thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the Agency does hereby agree and covenant with the Trustee for the benefit of the Owner, from time to time, of the Bond, or any part thereof, as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Definitions. Unless the context otherwise requires, the terms defined in this section shall for all purposes hereof and of any Supplemental Indenture and of any certificate, opinion, request or other document herein or therein mentioned have the meanings herein specified:

Agency means the City of Woodland as successor agency to the Former Agency.

Agency Board means the governing board of the Agency.

Annual Debt Service means for each Bond Year, the aggregate amount (without duplication) of principal of (including mandatory sinking fund payments) and interest on the Bond and any Parity Debt to which reference is made becoming due and payable. Interest payments on the

Bond and Parity Debt shall be excluded from the calculation of Annual Debt Service to the extent such interests payments are to be paid from the proceeds of the Bond or any Parity Debt held by the Trustee or other fiduciary as funded (capitalized) or pre-issuance accrued interest specifically to pay such interest.

Bond Register has the meaning stated in Section 2.5 (Bond Register).

Bond Year means the one-year period ending on each December 1, except that the first Bond Year shall begin on the Closing Date and shall end on December 1, 2017.

Bond means the Successor Agency to the Redevelopment Agency of the City of Woodland, Woodland Redevelopment Project 2017 Tax Allocation Refunding Bond issued hereunder.

Business Day means any day other than a Saturday, Sunday, or a day on which banking institutions in the State or the State of New York are authorized or obligated by law or executive order to be closed or on which the Federal Reserve System is closed.

Certificate, **Statement**, **Request**, **Requisition**, and **Order** of the Agency mean, respectively, a written certificate, statement, request, requisition, or order signed in the name of the Agency by its Chairperson, Executive Director, Finance Officer, or Secretary, or any other person authorized by the Executive Director or Finance Officer to execute such instruments. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument. If and to the extent required by Section 1.5 (Form and Content of Documents Delivered to Trustee), each such instrument shall include the statements provided for in Section 1.5 (Form and Content of Documents Delivered to Trustee).

City means the City of Woodland, California, a municipal corporation duly organized and existing under the Constitution and laws of the State.

Closing Date means the date upon which there is a physical delivery of the Bond in exchange for the amount representing the purchase price of the Bond by the Original Purchaser.

Corporate Trust Office or **corporate trust office** means the corporate trust office of the Trustee at One California Street, Suite 1000, San Francisco, California 94111, Attention: Global Corporate Trust Services, except that with respect to presentation of the Bond for payment or for registration of transfer and exchange or surrender and cancellation such term shall mean the office or agency of the Trustee at which, at any particular time, its corporate trust agency business shall be conducted, or such other address specified by the Trustee from time to time, or such other or additional offices as may be designated by the Trustee.

Costs of Issuance means all items of expense directly or indirectly payable by or reimbursable to the Agency and related to the original authorization, execution, sale, and delivery of the Bond, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee and its counsel, other legal fees and charges, fees and disbursements of consultants and professionals, rating agency fees, fees and charges for preparation, execution, transportation and safekeeping of the Bond, and any other cost, charge, or fee in connection with the original delivery of the Bond.

Costs of Issuance Fund means the fund by that name established pursuant to Section 3.2 (Establishment and Application of Costs of Issuance Fund).

County means the County of Yolo, a political subdivision of the State.

Defeasance Securities means the following:

(A) United States Treasury Certificates, Notes, and Bonds (including State and Local Government Series -- "SLGS").

(B) Direct obligations of the Treasury that have been stripped by the Treasury itself, CATS, TGRS, and similar securities.

(C) The interest component of Resolution Funding Corp. (REFCORP) strips that have been stripped by request to the Federal Reserve Bank of New York in book-entry form.

(D) Pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by S&P. If, however, the pre-refunded bonds are rated by S&P but are not rated by Moody's, then the pre-refunded bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or Aaa-rated pre-refunded municipal bonds.

(E) Obligations issued or guaranteed by the following agencies that are backed by the full faith and credit of the U.S.:

(1) U.S. Export-Import Bank (Eximbank)
Direct obligations or fully guaranteed certificates of beneficial ownership

(2) Farmers Home Administration (FmHA)
Certificates of beneficial ownership

(3) Federal Financing Bank

(4) General Services Administration
Participation certificates

(5) U.S. Maritime Administration
Guaranteed Title XI financing

(6) U.S. Department of Housing and Urban Development (HUD)
Project Notes
Local Authority Bonds
New Communities Debentures - U.S. government guaranteed debentures
U.S. Public Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds

Dissolution Law means Part 1.85 of Division 24 of the California Health and Safety Code (commencing with Section 34170), and the acts amendatory thereof and supplemental thereto.

Escrow Agreement means that certain agreement relating to the Prior Bonds dated September 1, 2017, between the Agency and the Trustee, as escrow agent.

Event of Default means any of the events specified in Section 10.1 (Events of Default).

Financial Obligation means any indebtedness of the Agency (including any installment purchase and lease obligations) that (i) in accordance with generally accepted accounting principles is classified as a liability on a balance sheet and (ii) has a final maturity more than one year after the date of creation thereof.

Fiscal Year means the period beginning on July 1 of each year and ending on the next succeeding June 30 or any other 12-month period hereafter selected and designated as the official fiscal year period of the Agency.

Former Agency means the Redevelopment Agency of the City of Woodland, a public body corporate and politic duly organized under the Redevelopment Law and then dissolved under the Dissolution Law.

Indenture means this indenture, dated September 1, 2017, between the Trustee and the Agency, as originally executed or as it may from time to time be supplemented or amended by any Supplemental Indenture delivered pursuant to the provisions hereof.

Independent Accountant means any accountant or firm of such accountants duly licensed or registered or entitled to practice and practicing as such under the laws of the State, appointed by the Agency, and who, or each of whom: (a) is in fact independent and not under domination of the Agency; (b) does not have any substantial interest, direct or indirect, with the Agency; and (c) is not connected with the Agency as an officer or employee of the Agency, but who may be regularly retained to make reports to the Agency.

Independent Financial Consultant means any financial consultant or firm of such consultants appointed by the Agency, and who, or each of whom: (a) is in fact independent and not under domination of the Agency; (b) does not have any substantial interest, direct or indirect, with the Agency, other than as a purchaser of the Bond or any Parity Debt; and (c) is not connected with the Agency as an officer or employee of the Agency, but who may be regularly retained to make reports to the Agency.

Interest Account means the account by that name established and held by the Trustee pursuant to Section 6.3 (Revenue Fund; Allocation of Moneys).

Interest Payment Date means June 1 and December 1 of each year during the term of the Bond, commencing June 1, 2018.

Letter of Representations means a letter substantially in the form attached hereto as Exhibit B delivered by the Original Purchaser and any subsequent purchaser of the Bond to the Agency.

Moody's means Moody's Investors Service, a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the Agency.

Opinion of Bond Counsel means a written opinion of a law firm experienced in matters relating to obligations the interest on which is excludable from gross income for federal income tax purposes, selected by the Agency.

Original Purchaser means [PURCHASER], and any other successor or any other entity to whom the rights of the Original Purchaser hereunder are assigned.

Outstanding, means the Bond authenticated and delivered by the Trustee under this Indenture until (1) the Bond is cancelled by the Trustee or surrendered to the Trustee for cancellation; (2) all liability of the Agency with respect thereto shall have been discharged in accordance with Section 5.2 (Discharge of Liability on Bond), including the Bond (or a portion thereof) in the circumstances described in in Section 6.11 (Money Held for the Owner); or (3) another Bond shall have been authenticated and delivered by the Trustee pursuant to this Indenture for transfer or exchange or in lieu of or in substitution of the Bond.

Oversight Board means the Oversight Board of the Successor Agency to the Woodland Redevelopment Agency, which was established pursuant to Health and Safety Code section 34179.

Owner means the person in whose name the Bond is registered, which shall be the Original Purchaser so long as the Original Purchaser owns the Bond and thereafter shall include any successor to the Original Purchaser or entity to whom the Bond has been transferred by the Original Purchaser.

Parity Debt means any loans, bonds, notes, advances, or indebtedness payable from Tax Revenues on a parity with the Bond.

Parity Debt Instrument means any resolution, indenture of trust, trust agreement or other instrument authorizing the issuance or incurrence of any Parity Debt.

Payment Date means each Interest Payment Date and each Principal Payment Date.

Permitted Investments means any securities in which funds of the Agency may now or hereafter be legally invested as provided by applicable law in effect at the time of such investment, subject to any limitations imposed by the investment policy approved by the governing body of the Agency, but without regard to any limitations contained therein concerning the maximum percentage limitations for any particular investment. Permitted Investments also include (a) money market funds, including funds of the Trustee or any of its affiliates, and (b) investment agreements, including guaranteed investment contracts.

Person means a corporation, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

Principal Account means the account by that name established and held by the Trustee pursuant to Section 6.3 (Revenue Fund; Allocation of Moneys).

Principal Payment Date means December 1 and June 1 of each year during the term of the Bond, commencing June 1, 2018.

Prior Bonds means the Redevelopment Agency of the City of Woodland, Woodland Redevelopment Project Tax Allocation Bonds, Series 2007A.

Prior Indenture means the Indenture dated July 1, 2007, between the Former Agency and U.S. Bank National Association, as trustee thereunder.

Project Area means the project area described in the Redevelopment Plan.

Rebate Fund means the fund by that name established pursuant to Section 8.6 (Federal Income Tax Covenants).

Recognized Obligation Payment Schedule means the document defined in Health and Safety Code section 34171(g) that sets forth the minimum payment amounts and due dates of payments required by the Agency's enforceable obligations for each six-month (or twelve-month, if permitted) fiscal period and is to be submitted in accordance with Health and Safety Code section 34177(m).

Redemption Price means, with respect to the Bond (or portion thereof) the principal amount of the Bond (or portion) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of the Bond and this Indenture.

Redevelopment Law means the Community Redevelopment Law of the State, constituting Part 1 of Division 24 of the California Health and Safety Code (commencing with Section 33000), and the acts amendatory thereof and supplemental thereto.

Redevelopment Plan means the Redevelopment Plan for the Woodland Redevelopment Project approved by Ordinance No. 1129 adopted by the City Council of the City on July 5, 1988, together with any additional amendments thereof at any time duly authorized under the Redevelopment Law.

Refunding Bond Act means Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code.

Regular Record Date for payments of principal or interest on any Payment Date means the date specified in Section 2.1 (Terms and Form of the Bond), and as that term may be defined in a Supplemental Indenture for Parity Debt.

Responsible Officer means any officer within the corporate trust department (or any successor group or department of the Trustee) including any vice president, assistant vice president, assistant secretary or any other officer or assistant officer of the Trustee with responsibility for matters related to this Indenture.

Revenue Fund means the "Revenue Fund" established and held by the Trustee, which referred to in Section 6.3 (Revenue Fund; Allocation of Moneys).

S&P means S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC business, and its successors and assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "S&P" shall be deemed to refer to any other nationally recognized securities rating agency selected by the Agency.

Special Record Date for the payment of any defaulted interest on the Bond means a date fixed by the Trustee pursuant to Section 2.7 (Payment of Interest on the Bond; Interest Rights Preserved).

State means the State of California.

Supplemental Indenture means any indenture hereafter duly executed and delivered, supplementing, modifying, or amending this Indenture, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

Tax Certificate means the tax certificate delivered by the Agency at the time of the issuance and delivery of the Bond, as the same may be further amended or supplemented in accordance with its terms.

Tax Code means the Internal Revenue Code of 1986, as amended, and the regulations applicable to or issued thereunder.

Tax Revenues means all taxes deposited into the Redevelopment Property Tax Trust Fund established pursuant to Health and Safety Code section 34170.5.

Trustee means U.S. Bank National Association, a national banking association organized and existing under the laws of the United States of America, or its successor as Trustee as provided in Section 11.8 (Removal and Resignation; Appointment of Successor).

Section 1.2. Acts of the Owner. Any request, consent, or other instrument required or permitted by this Indenture to be signed and executed by the Owner may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by the Owner in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and of the Agency if made in the manner provided in this Section.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent, or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer.

Any request, consent, or other instrument or writing of the Owner of the Bond shall bind every future Owner of the Bond and the Owner of the Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Agency in accordance therewith or reliance thereon.

Section 1.3. Notices, etc., to Agency and Trustee. Any notice to or demand upon the Trustee may be served or presented, and such demand may be made, at the Corporate Trust Office. Any notice to or demand upon the Agency shall be deemed to have been sufficiently given or served for all purposes by being deposited, first-class mail postage prepaid, in a post office letter box, addressed to the Agency at 300 First Street, Woodland, California 95695, Attention: Treasurer (or such other address as may have been filed in writing by the Agency with the Trustee).

Section 1.4. **Notices to the Owner; Waiver**. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Owner shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 1.5. **Form and Content of Documents Delivered to Trustee**. Every certificate or opinion provided for in this Indenture with respect to compliance with any provision hereof shall include (1) a statement that the person making or giving such certificate or opinion has read such provision and the definitions herein relating thereto, (2) a brief statement as to the nature and scope of the examination or investigation upon which the certificate or opinion is based; (3) a statement that, in the opinion of such person, he has made or caused to be made such examination or investigation as is necessary to enable him to express an informed opinion with respect to the subject matter referred to in the instrument to which his signature is affixed; and (4) a statement as to whether, in the opinion of such person, such provision has been complied with.

Any such certificate or opinion made or given by an officer of the Agency may be based, insofar as it relates to legal or accounting matters, upon a certificate or opinion of or representation by counsel, an Independent Accountant, or an Independent Financial Consultant, unless such officer knows, or in the exercise of reasonable care should have known, that the certificate, opinion or representation with respect to the matters upon which such certificate or statement may be based, as aforesaid, is erroneous. Any such certificate or opinion made or given by counsel, an Independent Accountant, or an Independent Financial Consultant may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the Agency) upon a certificate or opinion of or representation by an officer of the Agency, unless such counsel, Independent Accountant, or an Independent Financial Consultant knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representation with respect to the matters upon which such person's certificate or opinion or representation may be based, as aforesaid, is erroneous. The same officer of the Agency, or the same counsel, or Independent Accountant, or an Independent Financial Consultant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Indenture, but different officers, counsel, Independent Accountants, or an Independent Financial Consultants may certify to different matters, respectively.

Section 1.6. **Effect of Headings and Table of Contents**. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, or effect of this Indenture.

Section 1.7. **Successors and Assigns**. Whenever in this Indenture either the Agency or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Agency or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 1.8. Benefits of Indenture. Nothing in this Indenture or in the Bond expressed or implied is intended or shall be construed to give to any person other than the Agency, the Trustee, and the Owner of the Bond, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Agency, the Trustee, and the Owner of the Bond.

Section 1.9. Payments/Actions Otherwise Scheduled on Non-Business Days. Except as specifically set forth in a Supplemental Indenture, any payments or transfers that would otherwise become due on any day that is not a Business Day shall become due or shall be made on the next succeeding Business Day. When any other action is provided for herein to be done on a day named or within a specified time period and the day named or the last day of the specified period falls on a day other than a Business Day, such action may be performed on the next succeeding Business Day with the same effect as though performed on the appointed day or within the specified period.

Section 1.10. No Personal Liability for Debt Service. No Agency Board member, officer, agent, or employee of the Agency or the Trustee shall be individually or personally liable for the payment of the principal or Redemption Price of or interest on the Bond or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall relieve any such Agency Board member, officer, agent, or employee of the Agency or the Trustee from the performance of any official duty provided by law or by this Indenture.

Section 1.11. Separability Clause. If any one or more of the provisions contained in this Indenture or in the Bond shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality, or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Agency hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issuance of the Bond pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid, or unenforceable.

Section 1.12. Governing Law. This Indenture shall be construed and governed in accordance with the laws of the State.

Section 1.13. Execution in Several Counterparts. This Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which constitute but one and the same instrument.

ARTICLE II
TERMS AND ISSUANCE OF THE BOND

Section 2.1. Terms and Form of the Bond.

(A) Authorization and Title of the Bond. The Agency hereby authorizes the issuance of a bond in the principal amount of $[PAR AMOUNT]. The title of the Bond shall be "Successor Agency to the Redevelopment Agency of the City of Woodland, Woodland

Redevelopment Project 2017 Tax Allocation Refunding Bond." At any time after the execution and delivery of this Indenture, the Agency may execute and the Trustee shall authenticate and deliver the Bond upon the Order of the Agency.

(B) Form of the Bond. The Bond shall be issued in the form of a single, fully-registered installment bond in substantially the form attached hereto as Exhibit A. The Bond shall be registered initially in the name of the Original Purchaser and shall not be delivered in book-entry form.

(C) Date; Interest Accrual; Interest Rate; Payment Dates. The Bond shall be dated its date of delivery, shall bear interest on the unpaid principal amount thereof from its date to December 1, 2033, at the rate of _____% per annum. The Agency shall pay installments of principal and interest on the Bond in the following amounts on the following dates (subject to adjustment in the event of a partial redemption as described below) :

Date	**Principal**	**Interest**	**Total**
6/1/2018			
12/1/2018			
6/1/2019			
12/1/2019			
6/1/2020			
12/1/2020			
6/1/2021			
12/1/2021			
6/1/2022			
12/1/2022			
6/1/2023			
12/1/2023			
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6/1/2029			
12/1/2029			
6/1/2030			
12/1/2030			
6/1/2031			
12/1/2031			
6/1/2032			
12/1/2032			

Date	Principal	Interest	Total
6/1/2033			
12/1/2033			
Total			

Interest on the Bond shall be calculated on the basis of a 360-day year comprising twelve 30-day months.

(D) Principal and Interest Payments. The Agency shall pay each principal and interest payment on the Bond in lawful money of the United States of America by wire transfer to the Trustee no later than the fifth (5th) Business Day prior to each Payment Date. The Trustee shall wire transfer said payment to the Owner on each Payment Date, pursuant to wire instructions provided by the Owner. The Regular Record Date for the Bond shall be the fifteenth (15th) day of the calendar month immediately preceding the relevant Payment Date. Payments of principal of the Bond shall be made without the requirement for presentation and surrender of the Bond by the Owner, provided that principal of the Bond that is payable at final maturity shall be made only upon presentation and surrender of the Bond at the office of the Trustee. The Trustee shall make an appropriate notation in its records indicating the date and amount of each reduction in the outstanding principal amount of the Bond.

(E) Cessation of Interest Accrual. Interest on any portion of the principal of the Bond shall cease to accrue on the Payment Date of such portion, provided that such portion of the principal plus interest accrued thereon to such date has been paid to the Owner. Upon payment of all the principal and interest installments on the Bond, the Bond shall no longer be Outstanding and entitled to the benefits of this Indenture.

Section 2.2. Execution of the Bond. The Bond shall be executed in the name and on behalf of the Agency by the Chairperson of the Agency, whose signature shall be attested by the Secretary. The signature of any officer on the Bond may be facsimile or manual. The Bond shall then be delivered to the Trustee for authentication.

If any of the officers who signed the Bond cease to be such officer or officers of the Agency before the Bond so signed has been authenticated, or delivered by the Trustee, or issued by the Agency, the Bond may nevertheless be authenticated, delivered, and issued and, upon such authentication, delivery, and issue, is as binding upon the Agency as though those who signed the same had continued to be such officers of the Agency. The Bond may be signed and attested on behalf of the Agency by such persons as at the actual date of execution of the Bond are the proper officers of the Agency although at the nominal date of the Bond any such person was not such officer of the Agency.

Except as may be provided in any Supplemental Indenture, the Bond shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture unless there appears on the Bond a certificate of authentication substantially in the form provided for herein, manually executed by the Trustee. Such certificate of authentication when manually executed by the Trustee shall be conclusive evidence, and the only evidence, that the Bond has been duly executed, authenticated, and delivered hereunder.

Section 2.3. Transfer of Bond.

The Owner may transfer the Bond, but only in whole to a proposed transferee that executes a Letter of Representations.

Transfer shall be made upon the books required to be kept pursuant to the provisions of Section 2.5 (Bond Register) hereof, in person or by the duly authorized attorney of such person, upon surrender of the Bond to the Agency for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Agency and the purchaser's duly executed Letter of Representations.

Whenever the Bond shall be surrendered for transfer, the designated Agency officials shall execute (as provided in Section 2.2 (Execution of Bond) hereof) and deliver a new Bond. The Agency shall require the payment by the Owner requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of the Bond shall be required to be made by the Agency during the period from the close of business on the Record Date next preceding any Payment Date to and including such Payment Date.

Section 2.4. Optional Redemption. The Bond is subject to redemption on or after December 1, 20___, at the option of the Agency, from any source of available funds, on any date, as a whole or, with the consent of the Owner, in part, at a price equal to the principal amount thereof, plus accrued interest to the date fixed for redemption.

Section 2.5. Bond Register. The Trustee will keep or cause to be kept at its Corporate Trust Office a record of the registration and transfer of the Bond. Upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such record, the Bond as hereinbefore provided.

Section 2.6. Mutilated, Destroyed, Stolen or Lost Bond. If (i) a mutilated Bond is surrendered to the Trustee, or the Agency and the Trustee receive evidence to their satisfaction of the destruction, loss, or theft of the Bond, and (ii) there is delivered to the Agency and the Trustee such security or indemnity as may be required by them to save each of them harmless, then the Agency shall execute, and upon its request the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Bond, a new Bond of like tenor and the same principal amount, bearing a number not contemporaneously outstanding.

Upon the issuance of a new Bond under this Section, the Agency may require payment of a sum sufficient to pay the cost of preparing the Bond, any tax or other governmental charge that may be imposed in relation thereto, and any other expenses connected therewith.

If, after the delivery of such replacement Bond, the original Bond in lieu of which the replacement Bond was issued is presented for payment or registration, the Trustee shall seek to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom and shall be entitled to recover from the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Trustee or the Agency in connection therewith.

Section 2.7. Payment of Interest on Bond; Interest Rights Preserved. Interest on the Bond that is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Owner thereof as of the close of business on the Regular Record Date for such interest specified in the provisions of this Indenture.

Any interest on the Bond that is payable but is not punctually paid or duly provided for on any Interest Payment Date shall forthwith cease to be payable to the Owner on the relevant Regular Record Date. Such defaulted interest shall be paid to the Person in whose name the Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee. In the name and at the expense of the Agency, the Trustee shall cause notice of the payment of such defaulted interest and the Special Record Date to be mailed, first-class postage prepaid, to the Owner at his address as it appears in the Bond Register not fewer than ten (10) days prior to such Special Record Date.

Subject to the foregoing provisions of this Section, a new Bond delivered under this Indenture upon transfer of or in exchange for or in lieu of the Bond shall carry all the rights to interest accrued and unpaid, and to accrue, that were carried by the Bond. The Bond shall bear interest from such date that neither loss nor gain in interest shall result from such transfer, exchange, or substitution.

Section 2.8. Person Deemed the Owner. The Agency and the Trustee shall be entitled to treat the person in whose name the Bond is registered as the owner thereof for all purposes of the Indenture and any applicable laws, notwithstanding any notice to the contrary received by the Trustee or the Agency. The ownership of the Bond shall be proved by the Bond Register.

Section 2.9. Cancellation. If surrendered for payment, redemption, transfer, or exchange, if surrendered to the Trustee, the Bond shall be promptly cancelled by the Trustee and, if surrendered to any person other than the Trustee, shall be delivered to the Trustee and, if not already cancelled, shall be promptly cancelled by the Trustee.

The Agency shall deliver the Bond to the Trustee for cancellation if it acquired in any manner by the Agency, and the Trustee shall promptly cancel the Bond.

No Bond shall be authenticated in lieu of or in exchange for the Bond if cancelled as provided in this Section, except as expressly provided by this Indenture. The Trustee shall destroy the cancelled Bond.

Whenever in this Indenture provision is made for the cancellation by the Trustee of the Bond, the Trustee shall destroy the Bond and deliver a certificate of such destruction to the Agency.

Section 2.10. Validity of Bond. The recital in the Bond that it is issued pursuant to the Constitution and statutes of the State shall be conclusive evidence of its validity and of compliance with provisions of law in its issuance.

ARTICLE III
APPLICATION OF PROCEEDS

Section 3.1. <u>Application of Proceeds of the Bond</u>. The proceeds of the sale of the Bond shall be deposited with the Trustee and shall be set aside or transferred by the Trustee as follows:

(A) The Trustee shall transfer to the escrow agent under the Escrow Agreement for deposit in the Escrow Fund established thereunder $_________.

(B) The Trustee shall deposit in the Costs of Issuance Fund (created by Section 3.2 (<u>Establishment and Application of Costs of Issuance Fund</u>)), $___________.

Section 3.2. <u>Establishment and Application of Costs of Issuance Fund</u>. The Trustee shall establish, maintain, and hold a separate fund designated as the "Costs of Issuance Fund." The moneys in the Costs of Issuance Fund shall be applied by the Trustee to pay the Costs of Issuance of the Bond, upon a Requisition filed with the Trustee, in the form attached hereto as Exhibit C. All interest, profits, and other income received from the investment of moneys in the Costs of Issuance Fund shall be deposited therein. At the end of six (6) months from the date of issuance of the Bond, or upon an earlier determination by the Agency that amounts in such account are no longer required for the payment of Costs of Issuance, the Trustee shall transfer any remaining amounts in such account to the Agency and the Costs of Issuance Fund shall be closed.

ARTICLE IV
REDEMPTION OF BOND

Section 4.1. <u>Notice to Trustee</u>. In the case of any redemption at the election of the Agency of the Bond or any portion thereof as provided herein, the Agency shall at least forty-five (45) days prior to the date fixed for redemption (unless a shorter notice shall be satisfactory to the Trustee, in the sole discretion of the Trustee), notify the Trustee of such redemption date, and the principal amount of the Bond to be redeemed.

Section 4.2. <u>Notice of Redemption</u>.

(A) <u>Mailed Notice</u>. The Trustee, on behalf of and at the expense of the Agency, shall mail notice of redemption not fewer than thirty (30) nor more than sixty (60) days prior to the redemption date, to the Owner at its address appearing on the Bond Register. Notice of redemption to the Owner shall be given by first class mail.

(B) <u>Content of Notice</u>. Each notice of redemption shall state (1) the date of such notice, (2) the date of issue of the Bond, (3) the redemption date, (4) the Redemption Price, (5) the place or places of redemption (including the name and appropriate address or addresses of the Trustee), and, (6) in the case of a redemption in part only, the portion of the principal amount thereof to be redeemed. Each such notice shall also (a) state that on said date there will become due and payable on the Bond the Redemption Price thereof or of said specified portion of the principal amount thereof in the case of a redemption in part only, together with interest accrued thereon to the date fixed for redemption, (b) state that from and after such redemption date interest thereon shall cease to accrue, and (c) shall require that the Bond be then surrendered at the address or addresses of the Trustee specified in the redemption notice.

Section 4.3. Deposit of Redemption Price. Prior to any redemption date, the Agency shall deposit with the Trustee an amount of money sufficient to pay the Redemption Price of the Bond to be redeemed on that date plus interest accrued to the date of redemption. Such money shall be held for the benefit of the person entitled to such Redemption Price. Prior to any date for optional redemption of the Bond, the Agency shall have paid in full all amounts due to each issuer of a Reserve Facility.

Section 4.4. Bond Payable on Redemption Date. Notice of redemption having been duly given as aforesaid and moneys for payment of the Redemption Price of the Bond or portion thereof to be redeemed plus interest accrued to the date of redemption being held by the Trustee, on the redemption date designated in such notice (i) the Bond or portion thereof to be redeemed shall become due and payable at the Redemption Price specified in such notice plus interest accrued to the date of redemption, (ii) interest on the Bond or portion thereof shall cease to accrue, (iii) the Bond or portion thereof shall cease to be entitled to any benefit or security under this Indenture, and (iv) the Owner shall have no rights in respect thereof except to receive payment of said Redemption Price and accrued interest. Upon surrender of the Bond for redemption in accordance with said notice, the Bond or portion thereof shall be paid by the Trustee at the Redemption Price plus (if the redemption date is not an Interest Payment Date) interest accrued to the date of redemption. Installments of interest due on or prior to the Redemption Date shall be payable to the Owner on the relevant Regular Record Dates according to the term of the Bond and the provisions of Section 2.7 (Payment of Interest on the Bond; Interest Rights Preserved).

Section 4.5. Bond Redeemed in Part. Upon surrender of the Bond redeemed in part only, the Agency shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Agency, a new Bond of authorized denomination, and of the same maturity, equal in aggregate principal amount to the unredeemed portion of the Bond surrendered.

Section 4.6. Right to Rescind Notice. The Agency may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the Owner. Any optional redemption and notice thereof shall be rescinded if, for any reason, on the date fixed for redemption monies are not available in the Redemption Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Bond called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the Owner of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

ARTICLE V
DEFEASANCE

Section 5.1. Discharge of Indenture.

(A) Payment of Bond. The Bond may be paid in any of the following ways:

(1) by paying or causing to be paid the principal of and interest on the Bond, as and when the same become due and payable;

(2) by depositing with the Trustee, an escrow agent or other fiduciary, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 5.3 (Deposit of Money or Securities with Trustee)) to pay or redeem the Bond; or

(3) by delivering the Bond to the Trustee for cancellation.

(B) Consequence of Payment of Bond. If the Agency pays the Bond and also pays or causes to be paid all other sums payable hereunder by the Agency, then and in that case, at the election of the Agency, evidenced by a Certificate of the Agency filed with the Trustee signifying the intention of the Agency to discharge all such indebtedness and this Indenture, and notwithstanding that the Bond shall not have been surrendered for payment, this Indenture, the pledge of Tax Revenues and other assets made hereunder, all covenants and agreements and other obligations of the Agency under this Indenture, and the rights and interests created hereby (except as to any surviving rights of transfer or exchange of the Bond as provided in Section 2.5 (Bond Register) and rights to payment from moneys deposited with the Trustee as provided in Section 5.2 (Discharge of Liability on Bond)) shall cease, terminate, become void, and be completely discharged and satisfied. Notwithstanding the satisfaction and discharge of this Indenture, the obligations to the Trustee under Section 11.6 (Compensation and Indemnification of Trustee), and the covenants of the Agency to preserve the exclusion of interest on the Bond from gross income for federal income tax purposes contained in Section 8.6 (Federal Income Tax Covenants) shall survive.

(C) Delivery of Excess Funds. In such event, upon Request of the Agency, the Trustee shall cause an accounting for such period or periods as may be requested by the Agency to be prepared and filed with the Agency and shall execute and deliver to the Agency all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over, transfer, assign, or deliver to the Agency all moneys or securities or other property held by it pursuant to this Indenture that, as evidenced by a verification report (upon which the Trustee may conclusively rely) from an Independent Accountant, are not required for the payment or redemption of the Bond; subject to the provisions of Section 8.6 (Federal Income Tax Covenants) and the Tax Certificate with respect to moneys in the Rebate Fund.

(D) Notice of Defeasance. If moneys or Defeasance Securities are deposited with and held by the Trustee as provided in this Article, the Trustee shall within thirty (30) days after such money and Defeasance Securities shall have been deposited with it mail a notice, first class postage prepaid, to the Owner at the address listed on the registration books kept by the Trustee pursuant to Section 2.5 (Bond Register), (a) setting forth the maturity or date fixed for prepayment, as the case may be, of the Bond deemed paid, (b) giving a description of the Defeasance Securities, if any, so held by it, and (c) stating, as applicable, that this Indenture has been discharged and/or all liability of the Agency in respect of the Bond has been discharged, in accordance with the provisions of this Article.

Section 5.2. Discharge of Liability on the Bond. Upon the deposit with the Trustee, escrow agent or other fiduciary, in trust, at or before maturity, of money or Defeasance Securities in the necessary amount (as provided in Section 5.3 (Deposit of Money or Securities with Trustee)) to pay or redeem any Outstanding Bond (whether upon or prior to its maturity or the redemption date of the Bond), provided that, if the Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in Article IV (Redemption of Bond) provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, then all liability of the Agency in respect of the Bond shall cease, terminate, and be completely discharged, except that thereafter (i) the Owner thereof shall be entitled to payment of the principal of and premium, if any, and interest on the Bond by the Agency and the Agency shall remain liable for such payment, but only out of such money or securities deposited with the Trustee as aforesaid for their payment, subject, however, to the provisions of Section 5.4 (Earnings on Moneys Unclaimed After Payment of the Bond) and (ii) the Owner thereof shall retain its rights of transfer or exchange of Bond as provided in Section 2.5 (Bond Register).

Section 5.3. Deposit of Money or Securities with Trustee. Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or securities in the necessary amount to pay or redeem the Bond, the money or securities so to be deposited or held may include money or securities held by the Trustee in the funds and accounts established pursuant to this Indenture and shall be:

(A) Cash: cash held in certificates of deposit, savings accounts, deposit accounts or money market deposits in an amount equal to the principal amount of the Bond and all unpaid interest thereon to maturity, except that, if the Bond is to be redeemed prior to maturity and in respect of which notice of such redemption has been given as in Article IV (Redemption of Bond) provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or Redemption Price of the Bond and all unpaid interest thereon to the redemption date; or

(B) Securities: Defeasance Securities the principal of and interest on which when due will, together with the cash (if any) deposited with or held by the Trustee at the same time, provide money sufficient to pay the principal of and all unpaid interest to maturity, or to the redemption date, as the case may be, on (and any redemption premium on) the Bond to be paid or redeemed, as such principal or Redemption Price and interest become due, provided that, in the case of the Bond that is to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article IV (Redemption of Bond) provided or provision satisfactory to the Trustee shall have been made for the giving of such notice;

provided, in each case, (a) that the Agency shall have delivered to the Trustee a report of an Independent Accountant (upon which report the Trustee may conclusively rely) verifying that the cash and/or Defeasance Securities deposited are in the required amounts and (b) that the Trustee shall have been irrevocably instructed (by the terms of this indenture or by Request of the Agency) to apply such money to the payment of such principal or Redemption Price of and interest on the Bond.

Section 5.4. Earnings on Moneys Unclaimed After Payment of Bond. All moneys held by or on behalf of the Trustee for the payment of principal of or interest or premium on the Bond, whether at redemption or maturity, shall be held for the account of the Owner thereof and the Trustee shall not be required to pay Owner any interest on, or be liable to the Owner or any other person (other than the Agency) for any interest earned on, moneys so held.

Section 5.5. Notice of Defeasance. If Bond is to be paid and discharged pursuant to Section 5.1(A)(2), the Trustee shall within thirty (30) days after the money or Defeasance Securities have been deposited with it mail a notice, first class postage prepaid, to the Owner at the address listed on the registration books kept by the Trustee pursuant to Section 2.5 (Bond Register) hereof, (a) setting forth the maturity date or date fixed for redemption, as the case may be, of the Bond, (b) giving a description of the Defeasance Securities, if any, held by it, and (c) stating that this Indenture has been released in accordance with the provisions of this Section.

ARTICLE VI
PLEDGE OF TAX REVENUES; ESTABLISHMENT AND APPLICATION OF FUNDS

Section 6.1. Pledge of Tax Revenues. Subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, the Agency hereby pledges to secure the payment of the principal of, premium, if any, and interest on the Bond in accordance with its terms and the provisions of this Indenture, (i) all of the Tax Revenues and (ii), with respect to the Bond, any other amounts (including proceeds of the sale of Bond) held in any fund or account established pursuant to this Indenture (except for amounts held in the Rebate Fund).

This pledge constitutes a first lien on and security interest in the Tax Revenues and other assets for the payment of the Bond in accordance with its terms. Except for the Tax Revenues and such moneys, no funds or properties of the Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the Bond. The pledge of Tax Revenues is for the exclusive benefit of the Bond and Parity Debt and shall be irrevocable until the Bond has been paid and retired or until moneys have been set aside irrevocably for that purpose.

The Agency shall not hereafter make or suffer to exist any pledge or assignment of, lien on, or security interest in the Tax Revenues and other assets that ranks prior to or on a parity with the pledge granted under this Indenture, or file any financing statement describing any such pledge, assignment, lien, or security interest, except as expressly permitted under this Indenture. The Agency represents and warrants that, other than the pledge of the Tax Revenues that secures the Parity Debt , neither the Former Agency nor it has heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the Tax Revenues that ranks on a parity with or prior to the pledge granted under this Indenture.

Section 6.2. Deposit and Transfer of Tax Revenues. Pursuant to Health & Safety Code section 34170.5(a), the Agency has established a fund known as the "Redevelopment Obligation Retirement Fund," into which the Yolo County Auditor-Controller is required to periodically deposit Tax Revenues in the amounts specified in the Recognized Obligation Payment Schedules. So long as the Bond is Outstanding, no later than the fifth (5^{th}) Business Day preceding each Payment Date, the Agency shall withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee for deposit into the Revenue Fund the amounts required by the Trustee to make the transfers required by Section 6.3 (Revenue Fund; Allocation of Moneys) on or before such Payment Date. If, in the January 2 distribution of property taxes, the Agency receives the full amount of Annual Debt Service on the Bond and Parity Debt for the then-current Bond Year, the Agency shall transfer the full amount to the Trustee no later than the fifth (5^{th}) Business Day preceding the next June 1 Payment Date.

Section 6.3. Revenue Fund; Allocation of Moneys.

(A) Revenue Fund. The Trustee shall establish a special fund known as the "Revenue Fund" (the "Revenue Fund"), which the Trustee shall to hold as a separate fund during the entire term of this Indenture. The Trustee shall promptly deposit all payments received from the Agency in the Revenue Fund promptly upon receipt from the Agency.

(B) Allocation of Moneys. So long as the Bond is Outstanding, the Trustee shall set aside the moneys in the Revenue Fund in the following respective accounts (each of which the Trustee shall establish, maintain, and hold in trust for the benefit of the Owner of the Bond) in the following amounts, in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of moneys sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any deposit is made to any account subsequent in priority; provided that on a parity with such deposits the Trustee may set aside or transfer amounts with respect to outstanding Parity Debt as provided in the related Parity Debt Instrument (which shall be proportionate in the event such amounts are insufficient to provide for all deposits required as of any date to be made with respect to the Bond and such Parity Debt):

(1) Interest Account. On or before each Interest Payment Date, the Trustee shall set aside in the Interest Account an amount that, when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bond on such Interest Payment Date. No such deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on such Interest Payment Date. The Trustee shall also deposit in the Interest Account any other amounts received by it from the Agency designated by the Agency in writing for deposit in the Interest Account.

(2) Principal Account. On or before each Principal Payment Date, the Trustee shall withdraw from the Revenue Fund and deposit in the Principal Account an amount that, when added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the Outstanding Bond on such Principal Payment Date. No such deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on such Principal Payment Date. The Trustee shall also deposit in the Principal Account any other amounts received by it from the Agency designated by the Agency in writing for deposit in the Principal Account.

(C) Surplus. The Trustee shall withdraw any moneys remaining in the Revenue Fund on any December 2 after the foregoing transfers described in (1) and (2) of Subsection (B) above and transfer such amounts to the Agency to be used for any lawful purpose of the Agency.

Section 6.4. Application of Interest Account. All amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bond as it shall become due and payable (including accrued interest on the Bond if purchased or redeemed prior to maturity pursuant to this Indenture).

Section 6.5. Application of Principal Account. All amounts in the Principal Account shall be used and withdrawn by the Trustee solely for the purposes of paying the principal of the Bond when due and payable.

Section 6.6. Investment of Moneys in Funds and Accounts.

(A) Investment in Permitted Investments. All moneys in any of the funds and accounts held by the Trustee and established pursuant to this Indenture shall be invested solely as directed by the Agency, solely in Permitted Investments. The Agency shall provide investment direction in writing at least two (2) Business Days prior to the date of investment. The Agency's investment directions shall be subject to the limitations set forth in Section 8.6 (Federal Income Tax Covenants), the maturity limitations set forth in subsection (B) (Maturity of Investments) of this Section, and such additional limitations or requirements consistent with the foregoing as may be established by Request of the Agency. Each investment direction shall contain a certification by the Agency that the investments are "Permitted Investments" as defined in Section 1.1 hereof and the Trustee shall have no duty or obligation to ascertain whether any investment is a Permitted Investment or complies with the Agency's investment policy. If and to the extent the Trustee does not receive investment instructions from the Agency with respect to the moneys in the funds and accounts held by the Trustee pursuant to this Indenture, such moneys shall be invested in money market mutual funds, which may include such funds for which the Trustee or an affiliate provides investment advice or other services, and the Trustee shall thereupon immediately request investment instructions from the Agency for such moneys. The Trustee or its affiliates may act as agent, principal, sponsor, advisor or depository with regard to any Permitted Investments. The Trustee shall furnish the Agency periodic cash transaction statements which include detail for all investment transactions effected by the Trustee or brokers selected by the Agency. Upon the Agency's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request. The Agency waives the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, to the extent permitted by law. The Agency further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

(B) Maturity of Investments. Moneys in the funds and accounts established hereunder shall be invested in Permitted Investments maturing or available on demand not later than the date on which it is estimated that such moneys will be required by the Trustee.

(C) Earnings on Investments. All interest, profits, and other income received from the investment of moneys in any fund or account established hereunder (other than with respect to funds and accounts held by the Agency) shall be retained therein. Notwithstanding anything to the contrary contained in this Article, an amount of interest received with respect to any Permitted Investment equal to the amount of accrued interest, if any, paid as part of the purchase price of such Permitted Investment shall be credited to the fund or account from which such accrued interest was paid.

(D) Commingling Funds for Investment. The Trustee may commingle any of the funds or accounts established pursuant to this Indenture into a separate fund or funds for investment purposes only, provided that all funds or accounts held by the Trustee hereunder shall be accounted for separately as required by this Indenture. The Trustee may act as principal or agent in the making or disposing of any investment and, with the prior written consent of the Agency, may impose its customary charge therefor. The Trustee may sell at the best price obtainable, or present for redemption, any Permitted Investments so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Permitted Investment is credited, and the Trustee shall not be liable or responsible for any loss resulting from such investment.

(E) Investment Recordkeeping.

(1) Information to Establish Yield on Investments. The Trustee shall keep proper books of record and accounts containing complete and correct entries of all transactions made by it relating to the receipt, investment, disbursement, allocation and application of the moneys related to the Bond, including moneys derived from, pledged to, or to be used to make payments on the Bond and held by the Trustee hereunder. Such records shall specify the account or fund to which each investment (or portion thereof) held by the Trustee is to be allocated and shall set forth, in the case of each Permitted Investment, (a) its purchase price, (b) identifying information, including par amount, coupon rate, and payment dates, (c) the amount received at maturity or its sale price, as the case may be, including accrued interest, (d) the amounts and dates of any payments made with respect thereto, and (e) the dates of acquisition and disposition or maturity.

(2) Information to Establish Purchase and Disposition of Investments at Fair Market Value. The Trustee shall also provide to the Agency, in accordance with a Request of the Agency, with respect to each purchase or sale of a Permitted Investment made by it such documentation as is reasonably available to the Trustee and is required by the Tax Code or other applicable law to be obtained by the Agency as evidence to establish that all investments have been acquired and disposed of on an established market in arm's-length transactions at a price equal to their fair market value and with no amounts have been paid to reduce the yield on the investments.

Section 6.7. Funds and Accounts. Any fund required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either as a fund or an account and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds shall at all times be maintained in accordance with customary standards of the industry, to the extent practicable, and with due regard for the protection of the security of the Bond and the rights of the Owner thereof.

Section 6.8. Money Held for the Owner. The money held by the Trustee for the payment of the interest, principal or Redemption Price due on any date with respect to the Bond (or a portion of the Bond if redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held by it for the Owner of the Bond entitled thereto, subject, however, to the provisions of Section 5.4 (Earnings on Moneys Unclaimed After Payment of the Bond).

ARTICLE VII
ISSUANCE OF REFUNDING OBLIGATIONS AND PARITY DEBT

Section 7.1. **<u>Refunding Obligations</u>**. The Agency may issue or incur other loans, advances, or indebtedness payable from Tax Revenues to refund other Agency obligations, provided that (a) the Agency complies with the requirements of Health and Safety Code section 34177.5 and (b) Annual Debt Service on the refunding debt in each Bond Year during the term thereof does not exceed the amount of Annual Debt Service that would have been due in such Bond Year on the refunded debt had it remained Outstanding; provided that only Agency indebtedness issued pursuant to this Section 7.1 (<u>Refunding Obligations</u>) to refund Parity Bonds may be issued on a parity with the Bond.

Section 7.2. **<u>Parity Debt</u>**. If California law is revised so as to permit the Agency to issue additional debt payable from Tax Revenues, the Agency may issue such additional indebtedness as Parity Debt, but only with the prior written consent of the Owner and upon such conditions as the Owner may specify.

ARTICLE VIII
GENERAL BOND COVENANTS OF THE AGENCY

Section 8.1. **<u>Power to Issue Bond and Make Pledge</u>**. The Agency is duly authorized pursuant to the Dissolution Law and the Refunding Bond Act to issue the Bond and to enter into this Indenture and to pledge and assign the Tax Revenues and other assets purported to be pledged and assigned, respectively, under this Indenture in the manner and to the extent provided in this Indenture. The Bond and the provisions of this Indenture are and will be the valid and binding limited obligations of the Agency in accordance with their terms.

Section 8.2. **<u>Punctual Payment</u>**. The Agency will punctually pay or cause to be paid the principal or Redemption Price (whether at maturity or upon mandatory or optional redemption) and interest to become due in respect of the Bond, in strict conformity with the terms of the Bond and of this Indenture, according to the true intent and meaning thereof.

Section 8.3. **<u>Extension of Time for Payment of the Bond</u>**. The Agency will not directly or indirectly extend or assent to the extension of the maturity of the Bond or the time of payment of any or claims for interest by the purchase or funding of the Bond or claims for interest or by any other arrangement. In case the maturity of the Bond or the time of payment of any such claims for interest shall be extended, the Bond or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of the Bond and of all claims for interest thereon that shall not have been so extended. Nothing in this Section shall be deemed to limit the right of the Agency to issue bonds for the purpose of refunding the Bond, and such issuance shall not be deemed to constitute an extension of maturity of the Bond.

Section 8.4. **<u>Preservation of Rights of the Owner</u>**. The Agency shall at all times, to the extent permitted by law, defend, preserve, and protect the pledge and assignment of Tax Revenues and other assets and all the rights of the Owner under this Indenture against all claims and demands of all persons whomsoever.

Section 8.5. **<u>Waiver of Laws</u>**. The Agency will not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Indenture or in the Bond, and all benefit or advantage of any such law or laws is hereby expressly waived by the Agency to the extent permitted by law.

Section 8.6. Federal Income Tax Covenants.

(A) General Covenant. The Agency shall at all times do and perform all acts and things permitted by law and this Indenture that are necessary and desirable in order to assure that interest paid on the Bond will be excluded from gross income for federal income tax purposes and shall take no action that would result in such interest not being so excluded. Without limiting the generality of the foregoing, the Agency agrees to maintain or cause to comply with the provisions of the Tax Certificate. This covenant shall survive the defeasance or payment in full of the Bond.

(B) Establishment and Application of Rebate Fund. The Trustee shall establish and maintain a fund designated as the “Rebate Fund” separate from any other fund held by the Trustee. The Trustee shall deposit moneys into (from moneys made available by the Agency) and disburse moneys from the Rebate Fund pursuant to written instructions from the Agency. The Trustee shall be deemed conclusively to have complied with the provisions of this Section and the Tax Certificate if it follows the instructions of the Agency, including to supply all necessary information in the manner specified in the Tax Certificate. In the absence of written instructions from the Agency, the Trustee shall not be required to take any action with respect to the Rebate Fund or the Tax Certificate and shall have no liability or responsibility to enforce compliance by the Agency with the terms of the Tax Certificate. All interest, profits, and other income received from the investment of moneys in the Rebate Fund shall be deposited in the Rebate Fund, except as otherwise directed by the Agency.

Section 8.7. Books and Accounts; Financial Statements.

(A) Books and Accounts. The Agency will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Agency and the City, in which complete and correct entries shall be made of all transactions relating to the Tax Revenues. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Owner or its representative authorized in writing.

(B) Financial Statements. The Agency will cause to be prepared and filed with the Trustee annually, within two hundred ten (210) days after the close of each Fiscal Year complete financial statements with respect to such Fiscal Year showing the Tax Revenues, as of the end of such Fiscal Year, which statements shall be accompanied by a certificate or opinion in writing of an Independent Accountant relating thereto. The Agency will furnish a copy of such statements to the Owner upon reasonable written request, at the expense of the Owner. The Trustee shall have no duty to review such financial statements.

Section 8.8. Further Assurances. The Agency will make, execute and deliver any and all such instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture and for the better assuring and confirming unto the Owner of the rights and benefits provided in this Indenture.

ARTICLE IX
ADDITIONAL COVENANTS OF THE AGENCY RELATING TO THE TAX REVENUES, THE REDEVELOPMENT LAW, AND THE DISSOLUTION LAW

Section 9.1. **Maintenance of Tax Revenues**. The Agency shall comply with all requirements of the Redevelopment Law and the Dissolution Law to insure the allocation and payment to it of the Tax Revenues, including without limitation the timely filing of its Recognized Obligation Payment Schedule with appropriate officials of the County, the Oversight Board, and the State. The Agency shall not enter into any agreement with any other governmental unit, or amend any such agreement, if such agreement or amendment would have the effect of reducing the amount of Tax Revenues available to the Agency for payment of the Bond, unless in the written opinion of an Independent Financial Consultant filed with the Trustee such reduction will not adversely affect the interests hereunder of or the security granted hereunder to the Owner.

Section 9.2. **Limitations on Additional Indebtedness**. The Agency hereby covenants that, so long as the Bond is Outstanding, the Agency shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, that is in any case secured by a lien on all or any part of the Tax Revenues that is superior to or on a parity with the lien established hereunder for the security of the Bond; except as permitted by Section 7.1 (Refunding Obligations) or Section 7.2 (Parity Debt).

Section 9.3. **Payment of Claims**. The Agency will pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies that, if unpaid, might become a lien or charge upon the Tax Revenues or any part thereof, or upon any funds in the hands of the Trustee, or that might impair the security of the Bond. Nothing herein contained shall require the Agency to make any such payment so long as the Agency in good faith shall contest the validity of said claims.

Section 9.4. **Payments of Taxes and Other Charges**. The Agency will pay and discharge, or cause to be paid and discharged, all taxes, service charges, assessments and other governmental charges that may hereafter be lawfully imposed upon the Agency or the properties then owned by the Agency in the Project Area, when the same shall become due. Nothing herein contained shall require the Agency to make any such payment so long as the Agency in good faith shall contest the validity of said taxes, assessments or charges.

Section 9.5. **Compliance with the Redevelopment Law and the Dissolution Law**. The Agency shall ensure that all activities undertaken by the Agency with respect to the redevelopment of the Project Area are undertaken and accomplished in conformity with all applicable requirements of the Redevelopment Plan, the Redevelopment Law, and the Dissolution Law.

Section 9.6. **ROPS Filing Requirements**. The Agency shall take all actions required under the Dissolution Law to prepare and file the Recognized Obligation Payment Schedule ("ROPS") for each Fiscal Year so as to enable the Yolo County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund for deposit into the Redevelopment Obligation Retirement Fund all amounts required to enable the Agency to pay timely (i) debt service on the Bond and any Parity Obligations in such Fiscal Year, (ii) any amounts due and owing to any credit provider for its obligations, and (iii) any amounts required to replenish any debt service reserve fund for any of its obligations.

Without limiting the generality of the foregoing covenant, the Agency shall take all actions required under the Dissolution Law to file a ROPS by February 1 in each year, commencing February 1, 2018, in accordance with Health and Safety Code section 34177(o). Each such ROPS shall request the payment to the Agency of an amount of Tax Revenues that is at least equal to the following:

(a) 100% of the amount of principal of and interest on the Bond and any Parity Obligations coming due and payable in the ROPS period covered by the Schedule (whether annual or semiannual);

(b) any amount then required to replenish the amount in any debt service reserve fund established for any Parity Obligations; and

(c) any amount then required to make payments due to any credit provider for any Parity Obligations.

The Agency shall place on the annual ROPS for approval by the Oversight Board and the California Department of Finance an amount to be held by the Agency as a reserve for the timely payment of debt service on the Bond and any Parity Obligations coming due in the Fiscal Year succeeding the ROPS period covered by the Schedule.

In order to implement the foregoing, when preparing its Recognized Obligation Payment Schedule for an upcoming Fiscal Year, the Agency will perform an analysis to determine whether, for the Fiscal Year succeeding the Fiscal Year covered by the Schedule being prepared, there is a projected shortfall in property taxes to be allocated for the A ROPS period in such succeeding Fiscal Year (the June 1 disbursement), and, if so, the Agency will include the reserve amount described in the preceding paragraph for the projected shortfall on the upcoming Fiscal Year B ROPS schedule (for disbursement on January 2 of the upcoming Fiscal Year).

In addition, the Agency will perform a follow-up analysis prior to October 1 each Fiscal Year to determine whether there is a projected shortfall in property taxes to be allocated for the next A ROPS period (June 1 disbursement) for the next Fiscal Year, and, if so, the Agency will amend the ROPS to include the reserve amount described above for the projected shortfall on the B ROPS schedule (for January 2 disbursement) in the current Fiscal Year.

The Agency further agrees (a) to the extent permitted by law, to amend any ROPS filing for any period during which amounts owed to the Insurer either with respect to any credit provider for any Parity Obligations are not included on such ROPS filing and (b) not to submit a Last and Final ROPS under the Dissolution Law without the prior written consent of any credit provider for any Parity Obligations unless all amounts that could become due to such credit provider are included as a line item on the Last and Final ROPS.

ARTICLE X
EVENTS OF DEFAULT AND REMEDIES OF THE OWNER

Section 10.1. Events of Default. The following events shall be Events of Default:

(A) Principal Payment Default: default in the due and punctual payment of the principal or Redemption Price of the Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by mandatory redemption, by proceedings for optional redemption, or otherwise;

(B) Interest Payment Default: default in the due and punctual payment of any installment of interest on the Bond when and as such interest installment shall become due and payable;

(C) Payment Default on Other Financial Obligations: default in the payment of principal of or interest on any Financial Obligation and continuation of such default beyond any applicable grace period;

(D) Covenant Default: if the Agency shall fail to observe or perform any covenant, condition, agreement or provision in this Indenture on its part to be observed or performed, other than as referred to in subsection (A) or (B) of this Section, for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, has been given to the Agency by the Trustee or the Owner; except that, if in the reasonable opinion of the Agency the failure stated in such notice can be corrected, but not within such 30-day period, the Trustee or the Owner shall not unreasonably withhold its consent to an extension of such time for an additional period of thirty (30) days (or, with the prior approval of the Trustee or the Owner, any additional reasonable period of time) if corrective action is instituted by the Agency within such 30-day period and diligently pursued until such failure is corrected; and

(E) Reorganization or Insolvency: if the Agency shall file a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, filed with or without the consent of the Agency, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Agency or of the whole or any substantial part of its property.

Section 10.2. Acceleration of Maturities.

(A) Declaration by Trustee. If an Event of Default shall occur, then, and in each and every such case during the continuance of such Event of Default, the Trustee may or, upon the receipt of written instructions from the Owner, shall, upon notice in writing to the Agency, (a) declare the unpaid principal of the Bond, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this Indenture or in the Bond contained to the contrary notwithstanding; and (b) subject to the provisions of Section 10.4 (Trustee to Represent the Owner), exercise any other remedies available to the Trustee and the Owner in law or at equity. Upon the occurrence of an Event of Default all Tax Revenues under this Indenture shall be immediately deposited with the Trustee.

(B) Notice of Acceleration. Immediately upon obtaining actual knowledge of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the Agency and the Owner by telephone, telecopier or other communication device, promptly confirmed in writing. Such notice shall also state whether the principal of the Bond shall have been declared to be or have immediately become due and payable. With respect to any Event of Default described in clauses (A), (B), (C), (D), or (F) above the Trustee shall, and with respect to any Event of Default described in clause (E) above the Trustee in its sole discretion may, also give such notice to the Owner in the same manner as provided herein for notices of redemption of the Bond, which shall include the statement that interest on the Bond shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bond to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bond is actually paid on such date).

(C) Rescission of Declaration. Any such declaration, however, is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Agency shall deposit with the Trustee a sum sufficient to pay all the principal or Redemption Price of the Bond due prior to such declaration and all matured installments of interest on the Bond payment of which is overdue, with interest on such overdue payments of principal and interest installments at the rate borne by the Bond, and the reasonable fees, charges, and expenses of the Trustee, including fees and expenses of its attorneys, and any and all other defaults of which the Trustee has actual knowledge (other than in the payment of principal of and interest on the Bond due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, if such declaration was made by the Trustee in accordance with written instructions of the Owner, the Trustee shall, upon receipt of written instructions of the Owner, by written notice to the Agency, or, if such declaration was made by the Trustee, the Trustee may, on behalf of the Owner, rescind and annul such declaration and its consequences and waive such default; but no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 10.3. Application of Money Collected. If an Event of Default shall occur and be continuing, the Trustee shall apply all funds then held or thereafter received by the Trustee under any of the provisions of this Indenture (except as otherwise provided in this Indenture) as follows and in the following order:To the payment of the costs and expenses of the Trustee and the Owner in declaring such Event of Default, and payment of reasonable fees and expenses of the Trustee (including reasonable fees and disbursements of its counsel and other agents) incurred in and about the performance of its powers and duties under this Indenture;

(B) To the payment of the whole amount of principal then due on the Bond and Parity Debt (upon presentation of the Bond and Parity Debt to be paid, and stamping thereon of the payment if only partially paid, or surrender thereof if fully paid) subject to the provisions of this Indenture (including Section 8.3 (Extension of Time for Payment of Bond)), with interest on such principal, at the rate or rates of interest borne by the respective Bond and Parity Debt as follows:

(1) Unless the principal of the Bond and Parity Debt shall have become or have been declared due and payable, to the payment to the persons entitled thereto of all

installments of interest then due and the unpaid principal or Redemption Price of the Bond and Parity Debt that shall have become due, whether at maturity or by call for redemption, in the order of their due dates, with interest on the overdue principal at the rate borne by the respective Bond and Parity Debt, and, if the amount available shall not be sufficient to pay in full the Bond and Parity Debt due on any date, together with such interest, then to the payment thereof ratably, according to the amounts of principal or interest due on such date to the persons entitled thereto, without any discrimination or preference.

(2) If the principal of the Bond and all Parity Debt shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bond and Parity Debt, with interest on the overdue principal at the rate or rates borne by the respective Bond and Parity Debt, and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference.

Section 10.4. Trustee to Represent the Owner. The Trustee is hereby irrevocably appointed (and the Owner, by taking and holding the Bond, shall be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney-in-fact of the Owner for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to the Owner under the provisions of the Bond, this Indenture and applicable provisions of law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Trustee to represent the Owner, the Trustee in its discretion may, and upon the written request of the Owner and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Owner by such appropriate action, suit, mandamus, or other proceedings as it shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Trustee or in the Owner under this Indenture or any law.

Section 10.5. Trustee May Enforce Claims without Possession of the Bond. All rights of action under this Indenture or the Bond or otherwise may be prosecuted and enforced by the Trustee without the possession of the Bond or the production thereof in any proceeding relating thereto, and any such suit, action, or proceeding instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of the Owner, subject to the provisions of this Indenture (including Section 10.6 (Limitation on Suits)).

Section 10.6. Limitation on Suits. The Owner shall not have the right to institute any suit, action, or proceeding at law or in equity, for the protection or enforcement of any right or remedy under this Indenture or any applicable law with respect to the Bond, unless (1) the Owner shall have given to the Trustee written notice of the occurrence of an Event of Default; (2) the Owner shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name ; (3) the Owner shall have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and (4) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity, and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by the Owner of any remedy hereunder or under law; its being understood and intended that the Owner shall not have any right in any manner whatever by his action to affect, disturb or prejudice the security of this Indenture or to enforce any right under this Indenture or applicable law with respect to the Bond, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the benefit and protection of the Owner, subject to the provisions of this Indenture.

Section 10.7. Unconditional Right of the Owner to Receive Principal, Redemption Price, and Interest. Nothing contained in Section 10.6 (Limitation on Suits), in any other provision of this Indenture, or in the Bond shall affect or impair the obligation of the Agency, which is absolute and unconditional, to pay the principal or Redemption Price of and interest on the Bond to the Owner at its date of maturity, or upon call for redemption, as herein provided, or affect or impair the right of the Owner, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the Bond.

Section 10.8. Rights and Remedies Cumulative. No right or remedy herein conferred upon or reserved to the Owner is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right or remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 10.9. Delay or Omission Not Waiver. No delay or omission of the Owner to exercise any right or remedy accruing upon an Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Indenture or by law to the Owner may be exercised from time to time, and as often as may be deemed expedient, by the Owner.

ARTICLE XI
THE TRUSTEE

Section 11.1. Appointment of Trustee. U.S. Bank National Association is hereby appointed as Trustee, paying agent, bond registrar, and authenticating agent for the Bond under this Indenture and hereby accepts the duties imposed upon it as Trustee hereunder and to perform all the functions and duties of the Trustee hereunder, subject to the terms and conditions set forth in this Indenture.

Section 11.2. Certain Duties and Responsibilities.

(A) Duties When No Default is Continuing. Prior to an Event of Default and after the curing or waiver of all Events of Default that may have occurred:

(1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants or duties shall be read into this Indenture against the Trustee;

(2) in the absence of bad faith on its part the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions that by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of the Indenture.

(B) Duties During Continuance of Event of Default. During the existence of any Event of Default (that has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(C) Immunities of Trustee. No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this Subsection shall not be construed to limit the effect of Subsection A of this Section;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owner relating to the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture;

(4) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers, if repayment of such funds or adequate indemnity against such risk or liability is not assured to it; and

(5) the Trustee shall not be deemed to have knowledge of any Event of Default (other than an Event of Default described in Sections 10.1(A) or 10.1(B) unless and until the Trustee has received written notice of such an Event of Default at its Corporate Trust Office.

(D) Immunities Applicable to All Provisions of Indenture. Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article.

(E) Notwithstanding any other provision of this Indenture, in determining whether the rights of the Owner will be adversely affected by any action taken pursuant to the terms and provisions of this Indenture, the Trustee shall consider the effect on the Owner as if there were no Policy.

Section 11.3. Certain Rights of Trustee; Liabilities of Trustee. Except as otherwise provided in Section 11.2 (Certain Duties and Responsibilities):

(A) Reliance on Documents Believed Genuine: the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, note, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(B) Documentation of Agency's Directions: any request or direction of the Agency mentioned herein shall be sufficiently evidenced by a Certificate, Statement, Request, Requisition, or Order of the Agency;

(C) Reliance on Agency Certificate: whenever in the fulfillment of the obligations imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action hereunder, the Trustee (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon a Certificate of the Agency, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable;

(D) Reliance on Advice of Counsel: the Trustee may consult with counsel, including, without limitation, counsel of or to the Agency, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken, suffered, or omitted by the Trustee hereunder in good faith and in reliance thereon;

(E) Security or Indemnity: the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of the Owner pursuant to the provisions of this Indenture, including, without limitation, the provisions of Article 10 (Events of Default and Remedies of the Owner) hereof, unless the Owner shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities that may be incurred therein or thereby;

(F) Investigation of Factual Matters: the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, coupon, or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Agency, personally or by agent or attorney.

(G) Performance of Duties by Agents: the Trustee may perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters concerning its duty hereunder, but the Trustee shall be answerable for the negligence or misconduct of any such attorney-in-fact, agent, or receiver selected by it; provided that the Trustee shall not be answerable for the negligence or misconduct of any attorney-in-law or certified public accountant selected by it with due care.

Section 11.4. Trustee Not Responsible for Recitals or Issuance of the Bond or Application of Proceeds.

(A) Trustee Makes No Representations. The recitals of facts herein and in the Bond contained shall be taken as statements of the Agency, and the Trustee assumes no responsibility for the correctness of the same (other than the certificate of authentication of the Trustee on each Bond). The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Bond, as to the sufficiency of the Tax Revenues or the priority of the lien of this Indenture thereon, and shall not incur any responsibility in respect of any such matter, other than in connection with the duties or obligations expressly herein or in the Bond assigned to or imposed upon it. The Trustee is not responsible for any official statements or any other offering or disclosure materials prepared with respect to the Bond.

(B) Trustee Not Responsible for Application of Certain Moneys. The Trustee shall not be responsible for:

(1) the application or handling by the Agency of any Tax Revenues or other moneys transferred to or pursuant to any Requisition or Request of the Agency in accordance with the terms and conditions hereof;

(2) the application and handling by the Agency of any fund or account designated to be held by the Agency hereunder;

(3) any error or omission by the Agency in making any computation or giving any instruction pursuant to Section 8.6 (Federal Income Tax Covenants) hereof and may rely conclusively on any computations or instructions furnished to it by the Agency in connection with the requirements of Section 8.6 (Federal Income Tax Covenants);

(4) the construction, operation, or maintenance of any facilities by the Agency.

Section 11.5. Trustee May Hold Agency Indebtedness. The Trustee may in good faith hold any form of indebtedness of the Agency, own, accept or negotiate any drafts, bills of exchange, acceptances or obligations of the Agency and make disbursements for the Agency and enter into any commercial or business arrangement therewith, without limitation.

Section 11.6. Compensation and Indemnification of Trustee. The Agency agrees

(A) Compensation: to pay to the Trustee from time to time reasonable compensation for all services rendered by it hereunder;

(B) Reimbursement: except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements, and advances incurred or made by the Trustee in accordance with any provision of this Indenture, all in accordance with the terms of the written agreement between the Agency and the Trustee; and

(C) Indemnification: to indemnify the Trustee for, and to hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the trusts created hereby, including the costs and expenses (including attorneys' fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

The rights of the Trustee and the obligations of the Agency under this Section shall survive the discharge of the Bond and this Indenture.

Section 11.7. Corporate Trustee Required; Eligibility. There shall at all times be a Trustee hereunder, which shall be a trust company, banking association with trust powers, or bank having the powers of a trust company having a corporate trust office in the State, having (or in the case of a corporation or trust company included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least seventy-five million dollars ($75,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority, then for the purpose of this Section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, the Trustee shall resign immediately in the manner and with the effect specified in this Article.

Section 11.8. Removal and Resignation; Appointment of Successor.

(A) Effectiveness of Resignation or Removal. No removal or resignation of the Trustee and appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 11.9 (Acceptance of Appointment by Successor) and compliance with the terms of Section 13.1(C) (Substitution of Trustee).

(B) Trustee's Right to Resign. The Trustee may resign at any time by giving written notice of such resignation to the Agency. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Agency and the Trustee within thirty (30) days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee.

(C) Agency's Right to Remove Trustee. The Agency, with the consent of the Owner, may remove the Trustee at any time, unless an Event of Default shall have occurred and then be continuing, by giving written notice of such removal to the Trustee.

(D) Removal of Trustee at Request of the Owner. The Agency shall remove the Trustee if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owner by giving written notice of such removal to the Trustee.

(E) Mandatory Removal of Trustee. The Agency shall remove the Trustee if at any time:

(1) the Trustee shall cease to be eligible in accordance with Section 11.7 (Corporate Trustee Required; Eligibility) and shall fail to resign after written request therefor by the Agency, or

(2) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation, or liquidation,

in each case by giving written notice of such removal to the Trustee.

(F) Appointment of Successor. If the Trustee shall resign, be removed, or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, the Agency shall, with the consent of the Owner, promptly appoint a successor Trustee by an instrument in writing. If no successor Trustee shall have been so appointed by the Agency and accepted appointment in the manner hereinafter provided within thirty (30) days after such resignation, removal, or incapability or the occurrence of such vacancy, the Owner may, by an instrument signed by the Owner, appoint a successor Trustee, or may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee.

(G) Finance Officer of the Agency to Serve if No Successor Appointed. If, by reason of the judgment of any court, the Trustee or any successor Trustee is rendered unable to perform its duties hereunder, and if no successor Trustee be then appointed, with the consent of the Owner, all such duties and all of the rights and powers of the Trustee hereunder shall be assumed by and vest in the Finance Officer in trust for the benefit of the Owner.

(H) Notice of Removal or Resignation. The Agency shall give notice of each resignation and each removal of the Trustee and each appointment of a successor Trustee by mailing written notice of such event by first-class mail, postage prepaid, to the Owner as its name and address appear in the Bond Register. Each notice shall include the name of the successor Trustee and the address of its principal corporate trust office. If the Agency fails to mail such notice within fifteen (15) days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Agency.

Section 11.9. Acceptance of Appointment by Successor. Any successor Trustee appointed under this Indenture shall execute and deliver to the Agency and to its predecessor Trustee an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed, or conveyance, shall become vested with all the moneys, rights, and duties of the predecessor Trustee; but, at the Request of the Agency or the request of the successor Trustee, the predecessor Trustee shall, upon payment of its charges, execute and deliver an instrument conveying and transferring to the successor Trustee all the right, title, and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall duly assign, transfer, and deliver to the successor Trustee all property and money held by the predecessor Trustee hereunder. Upon request of any successor Trustee, the Agency shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, properties, rights, and duties.

Section 11.10. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion, or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under Section 11.7 (Trustee Required; Eligibility), shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding. In case the Bond shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion, or consolidation to such authenticating Trustee may adopt such authentication and deliver the Bond so authenticated with the same effect as if such successor Trustee had itself authenticated the Bond.

Section 11.11. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Agency and the Owner, and their agents and representatives duly authorized in writing, at reasonable times and under reasonable conditions.

Section 11.12. Accounting Records. The Trustee will at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with generally accepted accounting principles, in which complete and accurate entries shall be made of all transactions relating to the Bond and the funds maintained by the Trustee hereunder. Such books of record and account shall be available for inspection by the Agency at reasonable hours and under reasonable circumstances. The Trustee shall furnish to the Agency, at least monthly, an accounting of all transactions during the applicable accounting period relating to the proceeds of the Bond and all funds and accounts established pursuant to this Indenture in which assets are held by the Trustee.

ARTICLE XII
MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 12.1. Supplemental Indentures Without Consent of the Owner. This Indenture and the rights and obligations of the Agency, of the Trustee, of the Original Purchaser, and of the Owner may be modified or amended from time to time and at any time by a Supplemental Indenture, which the Agency may adopt without the consent of the Owner, but only with the consent of the Owner and only to the extent permitted by law and only for any one or more of the following purposes:

(A) Additional Security: to add to the covenants and agreements of the Agency contained in this Indenture other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bond (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the Agency;

(B) Curative Provisions: to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Indenture, or in regard to matters or questions arising under this Indenture, as the Agency may deem necessary or desirable, and that shall not materially and adversely affect the interests of the Owner;

(C) Trust Indenture Act Qualification: to modify, amend, or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions, and provisions as may be permitted by said act or similar federal statute, and that shall not materially and adversely affect the interests of the Owner;

(D) Preservation of Tax Exemption: to make such provisions as are necessary or appropriate to ensure the exclusion of interest on the Bond from gross income for federal income tax purposes; and

(E) No Material Effect: for any other purpose that does not materially and adversely affect the interests of the Owner.

Section 12.2. Supplemental Indentures with Consent of the Owner. This Indenture and the rights and obligations of the Agency, the Original Purchaser, the Owner, and the Trustee may be modified or amended from time to time and at any time by a Supplemental Indenture, which the Agency and the Trustee may enter into with the written consent of the Owner, which shall have been filed with the Trustee.

Section 12.3. Notice of Amendments. Promptly after the execution and delivery by the Trustee and the Agency of any Supplemental Indenture pursuant to this Article, the Trustee shall mail a notice prepared by the Agency setting forth in general terms the substance of such Supplemental Indenture or attaching a copy thereof, to the Owner at the address shown on the Bond Register. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Indenture.

Section 12.4. Execution of Supplemental Indentures. In executing, or accepting the additional duties created by, any Supplemental Indenture permitted by this Article or the modification thereby of the duties created by this Indenture, the Trustee shall be entitled to receive, and, subject to Section 11.2 (Certain Duties and Responsibilities), shall be fully protected in relying upon, an Opinion of Bond Counsel stating that the execution of such Supplemental Indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to enter into any such Supplemental Indenture that affects the Trustee's own rights, duties, or immunities under this Indenture or otherwise.

Section 12.5. Effect of Supplemental Indentures. From and after the time any Supplemental Indenture becomes effective pursuant to this Article, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties, and obligations under this Indenture of the Agency, the Trustee, and the Owner shall thereafter be determined, exercised, and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 12.6. Endorsement of Bond; Preparation of New Bond. A Bond delivered after any Supplemental Indenture becomes effective pursuant to this Article may, and if the Agency so determines shall, bear a notation by endorsement or otherwise in form approved by the Agency and the Trustee as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, upon demand of the Owner at the time of such execution and presentation of the Bond for such purpose at the Corporate Trust Office or at such additional offices as the Trustee may select and designate for that purpose, a suitable notation shall be made on the Bond. If the Supplemental Indenture shall so provide, a new Bond so modified as to conform, in the opinion of the Agency and the Trustee, to any modification or amendment contained in such Supplemental Indenture, shall be prepared and executed by the Agency and authenticated by the Trustee and, upon demand of the Owner and upon surrender for cancellation of the Bond, shall be exchanged at the Corporate Trust Office, without cost to the Owner, for a new Bond in the same principal amount and of the same tenor and maturity.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Indenture by their officers thereunto duly authorized as of the day and year first written above.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: ________________________________
Authorized Officer

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF WOODLAND

By: ________________________________
Executive Director

ATTEST:

____
Secretary

EXHIBIT A

<u>Form of Bond</u>

Registered No. R-1

THIS BOND MAY ONLY BE TRANSFERRED IN WHOLE TO A PERSON OR ENTITY SUBJECT TO THE CONDITIONS DESCRIBED IN THE INDENTURE.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF WOODLAND WOODLAND REDEVELOPMENT PROJECT 2017 TAX ALLOCATION REFUNDING BOND

ORIGINAL PRINCIPAL AMOUNT	INTEREST RATE	ORIGINAL ISSUE DATE
$[PAR AMOUNT]	_____%	[CLOSING DATE]

REGISTERED OWNER: [PURCHASER]

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF WOODLAND, a public body corporate and politic duly organized and existing under and pursuant to the Constitution and laws of the State of California (the “Agency”), as successor agency to the Redevelopment Agency of the City of Woodland, for value received, hereby promises to pay (but only out of the Tax Revenues and other moneys and securities hereinafter referred to) to the registered owner named above or registered assigns, the installments of principal and interest (calculated from the original issue date stated above at the interest rate per annum stated above) in the amounts and on the dates stated below (subject to reduction in the case of a partial redemption of the Bond):

Date	Principal	Interest	Total

Date	Principal	Interest	Total

Interest on the unpaid principal amount of this Bond is calculated on the basis of a 360 day year comprising twelve 30-day months.

The principal and interest installments on this Bond are payable in lawful money of the United States of America by wire transfer on each payment date to the registered owner as of the close of business on the fifteenth (15th) day of the calendar month immediately preceding such payment date. Payments of principal of the Bond shall be made without the requirement for presentation and surrender of the Bond by the registered owner, provided that principal of the Bond that is payable at final maturity shall be made only upon presentation and surrender of the Bond at the corporate trust office of U.S. Bank National Association, as trustee (together with any successor as trustee under the hereinafter mentioned Indenture, the "Trustee").

Interest on this Bond shall cease to accrue (i) on the maturity date hereof, provided that there has been irrevocably deposited with the Trustee an amount sufficient to pay the principal amount hereof, plus interest accrued hereon to such date; or (ii) on the redemption date hereof, provided there has been irrevocably deposited with the Trustee an amount sufficient to pay the redemption price hereof, plus interest accrued hereon to such date, and premium hereon, if any. The owner of this Bond shall not be entitled to any other payment, and this Bond shall no longer be outstanding and entitled to the benefits of the Indenture, except for the payment of the principal amount or redemption price (and premium, if any), as appropriate, of this Bond together with accrued interest hereon from moneys held by the Trustee for such payment.

The Agency has duly authorized the issuance of this Bond, has designated it as its "Woodland Redevelopment Project 2017 Tax Allocation Refunding Bond" (the "Bond"), and has issued it in the original principal amount stated above. The Bond is issued by the Agency pursuant to the provisions of (i) Part 1.85 of Division 24 of the California Health and Safety Code (the "Dissolution Law"), (ii) Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of

Division 2 of Title 5 of the California Government Code, and (iii) an indenture dated September 1, 2017, between the Trustee and the Agency (as amended and supplemented from time to time, the "Indenture"), for the purpose of providing funds to refund bonds issued to finance redevelopment activities within or of benefit to the Woodland Redevelopment Project Area.

Reference is hereby made to the Indenture and to the Dissolution Law for a description of the terms on which the Bond is issued, the provisions with regard to the nature and extent of the Tax Revenues (as that term is defined in the Indenture), and the rights of the registered owner of the Bond. All the terms of the Indenture and the Dissolution Law are hereby incorporated herein and constitute a contract between the Agency and the registered owner from time to time of this Bond. The registered owner of this Bond, by its acceptance hereof, consents and agrees to all the provisions of the Indenture.

This Bond and the interest hereon (to the extent set forth in the Indenture) is payable from, and are secured by a pledge of and lien on the Tax Revenues (as defined in the Indenture) derived by the Agency from the Project Area, on a parity with any Parity Debt at any time issued by the Agency and in accordance with the Indenture. As and to the extent set forth in the Indenture, all of the Tax Revenues are irrevocably pledged in accordance with the terms hereof and the provisions of the Indenture, the Redevelopment Law, and the Dissolution Law, to the payment of the principal of and interest and premium (if any) on the Bond and any such Parity Debt. Notwithstanding the foregoing, certain amounts out of the Tax Revenues may be applied for other purposes as provided in the Indenture.

This Bond is not a debt of the City of Woodland, the State of California, or any of its political subdivisions, and neither the City, the State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than the Tax Revenues.

The Bond is subject to redemption on or after December 1, 20___, at the option of the Agency, from any source of available funds, on any date, as a whole or, with the consent of the registered owner, in part, at a price equal to the principal amount thereof, plus accrued interest to the date fixed for redemption.

This Bond is transferable or exchangeable for other authorized denominations by the registered owner hereof, in person or by its attorney duly authorized in writing, at the corporate trust office of the Trustee, but only in the manner, subject to the limitations, and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer, a new fully registered Bond for the same aggregate principal amount will be issued to the transferee in exchange herefor.

The Agency, the Trustee, and any paying agent may deem and treat the registered owner hereof as the absolute owner hereof for all purposes; and the Agency, the Trustee, and any paying agent shall not be affected by any notice to the contrary.

The rights and obligations of the Agency and of the registered owner of the Bond may be modified or amended at any time in the manner, to the extent, and upon terms provided in the

Indenture, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered owner of the Bond.

The Agency hereby certifies and recites that any and all acts, conditions, and things required to exist, to happen, and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, do exist, have happened, and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California, and that this Bond, together with all other indebtedness of the Agency pertaining to the Tax Revenues, is within every debt and other limit prescribed by the Constitution and the statutes of the State of California, and is not in excess of the amount of the Bond permitted to be issued under the Indenture, the Redevelopment Law, the Dissolution Law, or under the Agency's Redevelopment Plan.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been signed by the Trustee.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF WOODLAND has caused this Bond to be executed in its name and on its behalf by its Chairperson and attested to by its Secretary and this Bond to be dated the date of delivery to the initial purchaser hereof.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF WOODLAND

Attest:

By:________________________________
Chairperson

By:________________________________
Secretary

CERTIFICATE OF AUTHENTICATION

This is the Bond described in the within-mentioned Indenture, which has been authenticated on the date set forth below.

Dated: [closing date]

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: ________________________________
Authorized Signatory

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto ____ the within Bond and do(es) hereby irrevocably constitute and appoint ____________________________________ attorney, to transfer the same on the bond register of the Trustee, with full power of substitution in the premises.

Dated: _______________________

____
Note: The signature(s) to this Assignment must correspond with the name(s) on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature(s) Guaranteed by:

____
Note: Signature must be guaranteed by an eligible guarantor institution (banks, securities brokers, savings associations, credit unions, or other institutions with membership in an approved signature guarantee medallion program) pursuant to Securities and Exchange Commission Rule 17A(d)15.

Social Security Number, Tax Identification Number, or other identifying number of Assignee: ____

LEGAL OPINION

The following is a true copy of the opinion rendered by Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation, in connection with the issuance of, and dated as of the date of the original delivery of, the Bond. A signed copy is on file in my office.

____
Secretary of the Agency

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD
A Professional Corporation
Attorneys at Law
400 Capitol Mall, 27th Floor
Sacramento, California 95814-3363

Successor Agency to the Redevelopment Agency
of the City of Woodland
300 First Street
Woodland, California

Re: Successor Agency to the Redevelopment Agency of the City of Woodland
Woodland Redevelopment Project 2017 Tax Allocation Refunding Bond

Members of the Governing Board:

We have acted as bond counsel in connection with the issuance by the Successor Agency to the Redevelopment Agency of the City of Woodland (the "Agency"), as successor agency to the Redevelopment Agency of the City of Woodland, of its Woodland Redevelopment Project 2017 Tax Allocation Refunding Bond (the "Bond"), in the aggregate principal amount of $[PAR AMOUNT] (the "Bond"), pursuant to an indenture dated September 1, 2017 (the "Indenture"), between the Agency and U.S. Bank National Association, as trustee (the "Trustee"). Capitalized terms not otherwise defined herein have the meanings ascribed to such terms in the Indenture.

We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the representations of the Agency contained in the Indenture and the certified proceedings and upon other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of the Official Statement or other offering material relating to the Bond and we express no opinion relating thereto.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Bond has been duly authorized, executed, and delivered by the Agency and is a valid and binding special obligation of the Agency, payable solely from the Tax Revenues and any other amounts held in any fund or account (other than the Rebate Fund) established pursuant to the Indenture.

2. The Indenture has been duly executed and delivered by the Agency and is a valid and binding obligation of the Agency. The Indenture creates a valid pledge, to secure the payment of the principal of and interest on the Bond, of the Tax Revenues and all other amounts held in any fund or account (other than the Rebate Fund) established pursuant to the Indenture, to the extent set forth in the Indenture and subject to the provisions of the Indenture that permit the Agency to apply the Tax Revenues and other amounts for the purposes and on the terms and conditions set forth in the Indenture.

3. The Bond is a limited obligation of the Agency and is not a lien or charge upon the funds or property of the Agency except to the extent of the aforementioned pledge. The Bond is not a debt of the City of Woodland, the State of California, or any other political subdivision of the State of California, none of which is liable for the payment thereof.

4. Interest on the Bond is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Agency comply with all requirements of the Internal Revenue Code of 1986 that must be satisfied subsequent to the issuance of the Bond in order that interest on the Bond be, and continue to be, excludable from gross income for federal income tax purposes. The Agency has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bond to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bond. We express no opinion regarding other federal tax consequences arising with respect to the accrual or receipt of interest on, or the ownership or disposition of, the Bond.

5. Interest on the Bond is exempt from State of California personal income taxes.

The opinions set forth above are further qualified as follows:

a. The rights of the owner of the Bond and the enforceability of the Bond and the Indenture may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable, to the application of general principles of equity, including without limitation concepts of materiality, reasonableness, good faith, and fair dealing, to the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and to the limitations on legal remedies imposed on actions against public agencies in the State of California.

b. We express no opinion as to the enforceability under certain circumstances of contractual provisions respecting various summary remedies without notice or opportunity for hearing or correction, especially if their operation would work a substantial forfeiture or impose a substantial penalty upon the burdened party.

c. We express no opinion as to the effect or availability of any specific remedy provided for in the Indenture under particular circumstances, except that we believe such remedies are, in general, sufficient for the practical realization of the rights intended thereby.

d. We express no opinion as to the enforceability of any indemnification, contribution, choice of law, choice of forum, or waiver provisions contained in the Indenture.

e. The opinions expressed herein are based on an analysis of existing laws, regulations, rulings, and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine or to inform any person whether any such actions are taken or omitted or events do occur. We disclaim any obligation to update this opinion for events occurring after the date hereof.

Very truly yours,

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD,
A Professional Corporation

EXHIBIT B

<u>Form of Purchaser's Letter of Representations</u>

[Date]

City of Woodland
300 First Street
Woodland CA 95695

Re: Successor Agency to the Redevelopment Agency of the City of Woodland Woodland Redevelopment Project 2017 Tax Allocation Refunding Bond

Ladies and Gentlemen:

The undersigned, [name of Purchaser] (the "Purchaser"), hereby represents and warrants to you as follows:

1. The Purchaser has purchased on the date hereof the above-referenced bond (the "Bond"), the outstanding principal amount of which is $[PAR AMOUNT], issued pursuant to the Indenture dated September 1, 2017 (the "Indenture"), made by and between U.S. Bank National Association and the Successor Agency to the Redevelopment Agency of the City of Woodland (the "Agency").

2. The Purchaser has sufficient knowledge and experience in business and financial matters in general, and obligations such as the Bond in particular, to enable the Purchaser to evaluate the Bond, the credit of the Agency, the collateral, and the bond terms.

3. The Purchaser will make its own independent credit analysis and decision to purchase the Bond based on an independent examination and evaluation of the transaction and the information provided to the Purchaser by the Agency or its agents and deemed appropriate, without reliance on the Agency or its officers, employees, attorneys or agents.

4. The Purchaser acknowledges that no credit rating has been sought or obtained with respect to the Bond.

5. The Purchaser acknowledges that no official statement has been prepared for the Bond, and that the Agency will not be entering into a continuing disclosure agreement pursuant to SEC Rule 15c2-12 to provide ongoing disclosure respecting the Bond. The Purchaser has been offered copies of or full access to all documents relating to the Bond and all records, reports, financial statements and other information concerning the Agency and pertinent to the source of payment for the Bond as deemed material by the Purchaser that the Purchaser, as a reasonable investor, has requested and to which the Purchaser, as a reasonable investor, would attach significance in making an investment decision.

6. The Purchaser confirms that its purchase of the Bond constitutes acquisition of an asset that is suitable for its portfolio and consistent with its asset acquisition program and that the

Purchaser is able to bear the economic risk of ownership of the Bond, including a complete loss of value.

7. The Purchaser is purchasing the Bond solely for its own account and not with a present intent to, or in connection with, any distribution, resale, pledging, fractionalization, subdivision or other disposition thereof (subject to the understanding that disposition of Purchaser's property will remain at all times within its control). Because the Purchaser has no immediate intent to trade the Bond, the Purchaser has not obtained a CUSIP number for the Bond or applied for DTC eligibility for the Bond.

8. The Purchaser understands and agrees that ownership of the Bond may be transferred only in whole to a person or entity that executes a letter of representations substantially in the form of this letter.

9. The Purchaser understands that the Bond (i) has not been registered under the Securities Act of 1933, as amended (the "Act"), and (ii) has not been registered or qualified under any state securities or "Blue Sky" laws, and that the Indenture has not been qualified under the Trust Indenture Act of 1939, as amended.

10. The Purchaser has been furnished with and has examined the Bond, the Indenture, and other documents, certificates and the legal opinions delivered in connection with the issuance of the Bond.

11. The Purchaser understands that the Agency and its counsel will rely upon the accuracy and truthfulness of the representations and warranties contained herein and hereby consents to such reliance.

12. The signatory of this letter is a duly authorized officer of the Purchaser with the authority to sign this letter on behalf of the Purchaser, and this Certificate has been duly authorized, executed and delivered.

[PURCHASER]

____

By:
Name:
Title:

EXHIBIT C

Form of Requisition from Costs of Issuance Fund

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF WOODLAND

To: U.S. Bank National Association, Trustee
One California Street, Suite 1000
San Francisco, California 94111

The undersigned is authorized to submit this requisition pursuant to the terms of the Indenture dated September 1, 2017, between U.S. Bank National Association, as Trustee, and the Successor Agency to the Redevelopment Agency of the City of Woodland (the "Agency"). The Agency hereby requests payment of the amounts listed on Schedule I hereto.

Obligations in the stated amounts have been incurred by the Agency and are presently due and payable. Each item is a proper charge against the Costs of Issuance Fund and has not been previously paid from the fund. All payments shall be made by check or wire transfer in accordance with the payment instructions set forth herein and the Trustee may rely on such payment instructions though given by the Agency with no duty to investigate or inquire as to the authenticity of the invoice or the payment instructions contained therein.

____
Signature of Authorized Officer of the Agency

SCHEDULE I

[Please see attached invoices for delivery and/or wire instructions]

ITEM	PAYEE	AMOUNT	PURPOSE
1.			
2.			
3.			
4.			
5.			